




BRITISH COLUMBIA
**UNCLAIMED
PROPERTY**
SOCIETY

**REUNITING FORGOTTEN DOLLARS
WITH THE RIGHTFUL OWNERS**

ANNUAL REPORT 2021

unclaimedpropertybc.ca



BCUPS serves as a “lost and found” for unclaimed funds sitting in dormant accounts in British Columbia. We maintain a free, searchable public database of unclaimed money in the province so people can track down and claim their forgotten funds. We also work with businesses and organizations to return unclaimed property to the rightful owners.

About BCUPS

The BC Unclaimed Property Society (BCUPS) is a registered not-for-profit established in 2003 by the Province of British Columbia and Vancouver Foundation to administer British Columbia’s unclaimed property program. BCUPS’s mission is to reunite British Columbians with their forgotten or unclaimed money in dormant accounts held by companies and organizations.

What We Do

Under the Unclaimed Property Act, BCUPS serves as the legal custodian of unclaimed funds for the rightful owners. In this capacity, we:

- Actively search for owners of unclaimed funds;
- Maintain a public, searchable database of unclaimed property 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; and
- Support community and social programs through sustainable financial contributions to Vancouver Foundation.

JOINT MESSAGE FROM THE CHAIR AND EXECUTIVE DIRECTOR

This past year was like no other in recent history. Working through the second year of the pandemic, BCUPS made impressive progress in continuing to fulfil our mandate of reuniting British Columbians with their unclaimed property while making money available to fund needed community programs in the province.

It was an extremely challenging period. We adapted to the “new normal,” working remotely, processing submissions and claims, raising awareness, and putting necessary workplace safeguards in place so we could welcome staff back and set the stage to effectively operate in a post-pandemic environment.

BCUPS received \$4,070,621 from dormant accounts from holders in 2021. The majority of these funds came from the Public Guardian and Trustee of BC, courts, trust funds, financial institutions, and municipalities. While unclaimed property submissions were down considerably from 2020, many holders continued to recognize the importance of transferring dormant accounts to BCUPS, knowing that numerous businesses and organizations in the province were fighting to survive during the pandemic. We applaud those holders for their support.

In 2021, BCUPS staff completed 779 individual search efforts to reunite owners with their forgotten money. As a result, we returned \$717,209 in unclaimed funds to the rightful owners during the year, representing 314 individual accounts. For many cash-

strapped British Columbians, receiving these long-lost funds provided welcome financial relief during an unprecedented period of economic adversity.

We are delighted that we continued to support the important work of Vancouver Foundation, which helps numerous BC charities and marginalized groups through its funding. In 2021, BCUPS transferred \$6,241,601 as a grant of unrestricted funds to Vancouver Foundation. These funds enabled the Foundation to continue to support not-for-profits impacted by the pandemic, respond to societal inequities exacerbated by COVID-19, enhance communities, and enrich people's lives.

We are extremely cognizant of our responsibility as prudent stewards of the unclaimed funds entrusted to us. In this regard, we reviewed and updated our investment strategy in 2021 to ensure our investment approach was on track and our investments were well-positioned to withstand volatile market conditions.

With cybercrime and identity theft at an all-time high, we also updated and strengthened our IT security protocols to further safeguard our system from intrusion and protect personal information to provide claimants and holders with peace of mind that their data is safe and secure.

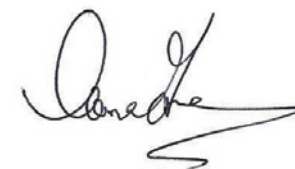
Around the world, there has been an increasing interest in unclaimed property programs and the potential for dormant

“For many cash-strapped British Columbians, being reunited with their unclaimed funds provided welcome financial relief during an unprecedented period of economic adversity.”

assets to support worthwhile causes. Last spring, our Executive Director Alena Levitz participated in a panel discussion at the National Association of Unclaimed Property Administrators conference along with her counterparts in the UK and Kenya on how countries outside the United States administer their unclaimed financial assets.

The UK recently announced plans to expand its dormant asset program, which now encompasses unclaimed balances held by banks and building societies, to include insurance, investment and wealth management, and securities products.

Closer to home, BCUPS shared best practices with New Brunswick's Financial and Consumer Services Commission as the province prepared to launch its own unclaimed property program. As of January 1, 2022, New Brunswick became the fourth Canadian province to implement an unclaimed property program. We are thrilled



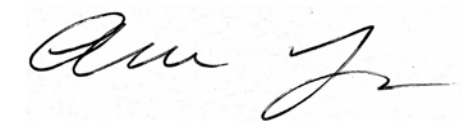
ANNA K. FUNG, Q.C.
CHAIR

to welcome New Brunswick to the unclaimed property fold.

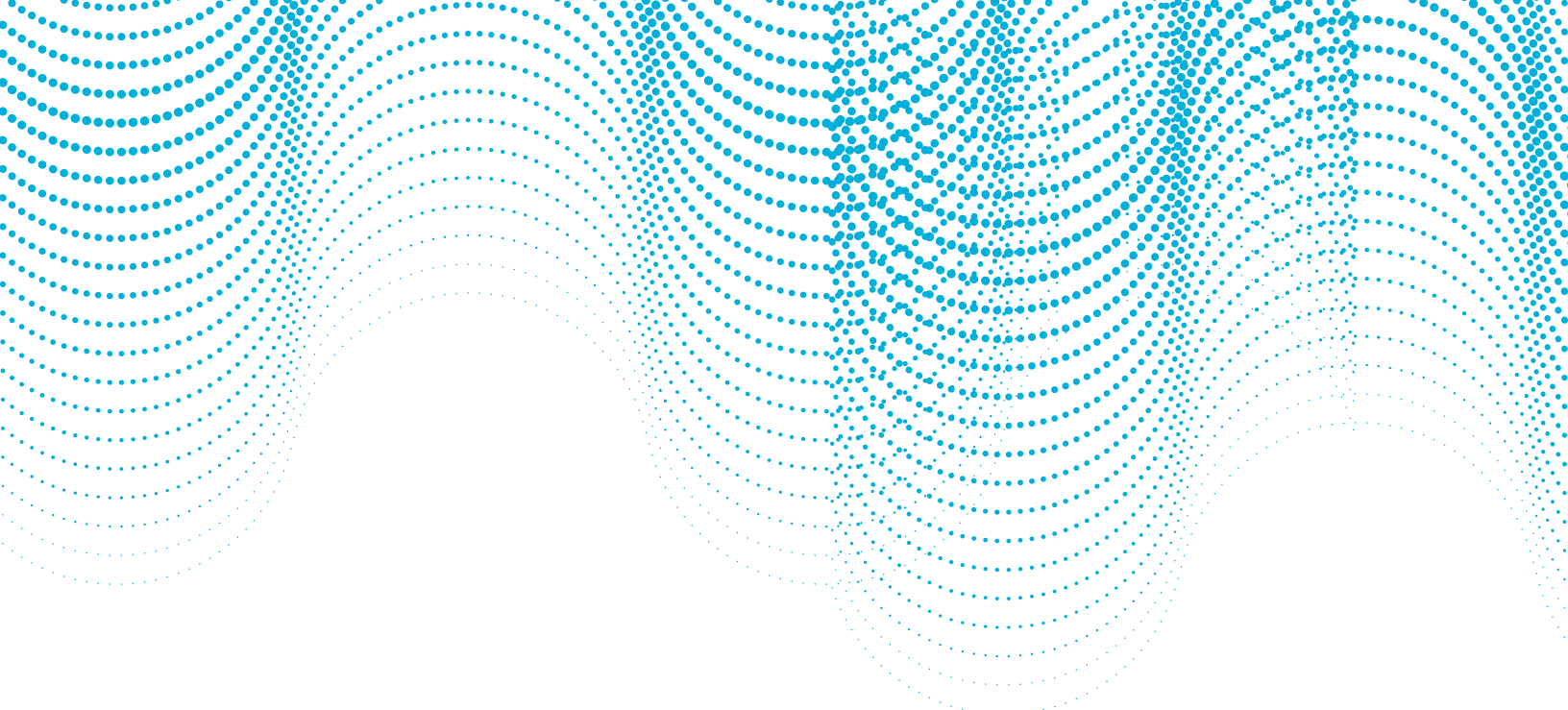
The continued recognition of BCUPS's expertise in the administration of dormant funds is heartening. But the success of our organization wouldn't be possible without the hard work, dedication and agility of our staff, whose unwavering commitment to put unclaimed money back in the hands of the rightful owners enables us to reach our goals year after year, particularly during uncertain times such as these.

We would also like to acknowledge and thank our fellow Board members for their passion and leadership in helping BCUPS to successfully navigate the challenges of 2021 and build a strong foundation for the future.

The coming year will undoubtedly present fresh challenges and opportunities as we enter a new post-pandemic world. As the first and most established unclaimed property program in Canada, we are confident we have the people, strategy, and systems in place to meet these challenges head-on and continue to make a meaningful contribution to our Province and society. We're looking forward to an eventful and prosperous 2022.



ALENA LEVITZ
EXECUTIVE DIRECTOR

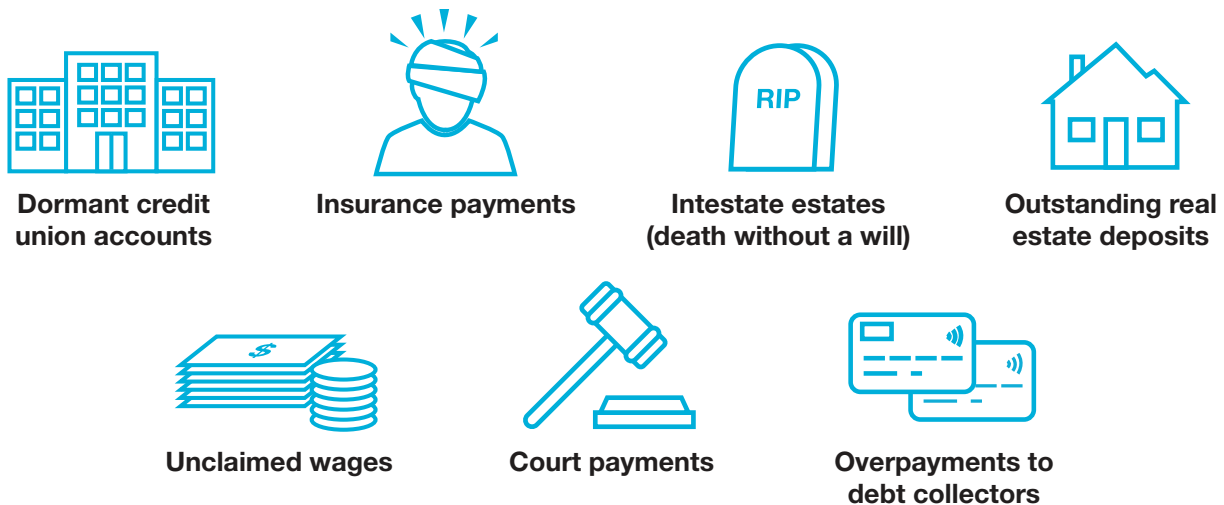


WHAT IS UNCLAIMED PROPERTY?

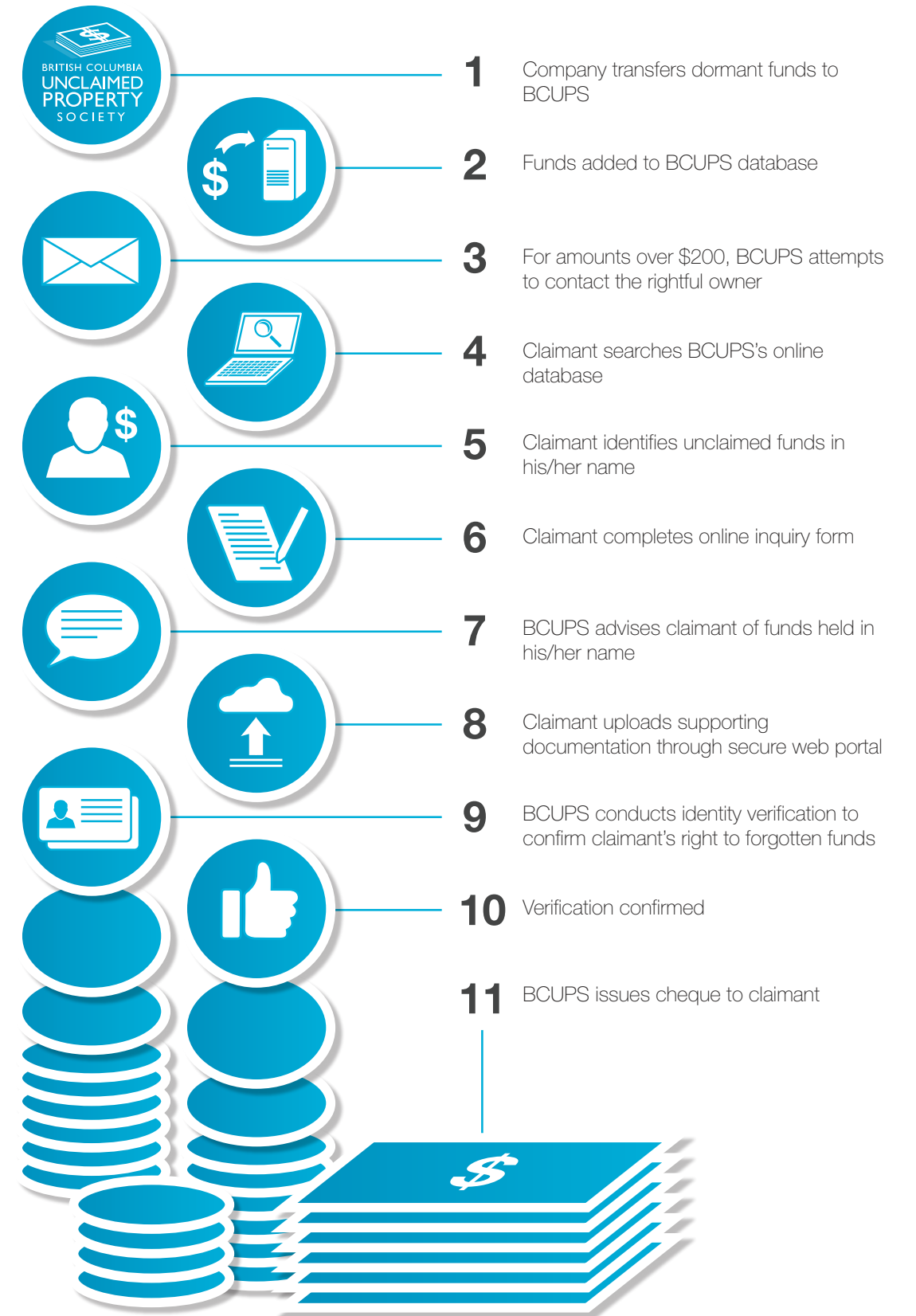
Unclaimed property is money held by a company or organization that has been forgotten by its owner. Funds become unclaimed when the lawful owner takes no action to access his/her account after a specified period, ranging from one to ten years depending on the type of account and the holder.

Dormant accounts under the purview of BCUPS apply only to provincially regulated financial institutions, companies and organizations. They do not include dormant bank accounts, which fall under the jurisdiction of the Bank of Canada.

In BC, unclaimed property includes:



BC'S UNCLAIMED PROPERTY PROCESS



2021 BY THE NUMBERS

\$177 million

Amount of unclaimed funds transferred from financial institutions, companies and organizations residing in the BCUPS database.

\$4,070,621

Amount of unclaimed funds BCUPS received from holders in 2021.

\$717,209

Amount of money returned to verified claimants in 2021.

\$110,860,145

Total amount of money from dormant accounts BCUPS has received since its inception.

\$19,230,405

Approximate amount of money from dormant accounts BCUPS has returned to the rightful owners since its inception.

\$1.9 million

Largest dormant account in BC waiting to be claimed.



COMMUNITY OUTREACH

Media Placements	206
Impressions	4.14 Million
Website Visits	112,097
General Inquiries	6,712
Individual Search Efforts	779
Claims Paid	314

PROTECTING YOUR PRIVACY

At BCUPS, 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 routinely enhance security features of our website to provide a safe and secure online experience. To protect consumers, we provide information on our website on how to spot and remain vigilant against common unclaimed property scams.



COMPANY RESPONSIBILITIES UNDER THE BC UNCLAIMED PROPERTY ACT

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 ranging from one to 10 years, 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.

In BC, credit unions, debt collectors, real estate agencies, companies in liquidation, municipal and provincial courts and municipalities are classified as mandatory holders and are thereby required by law to transfer unclaimed funds to BCUPS if the

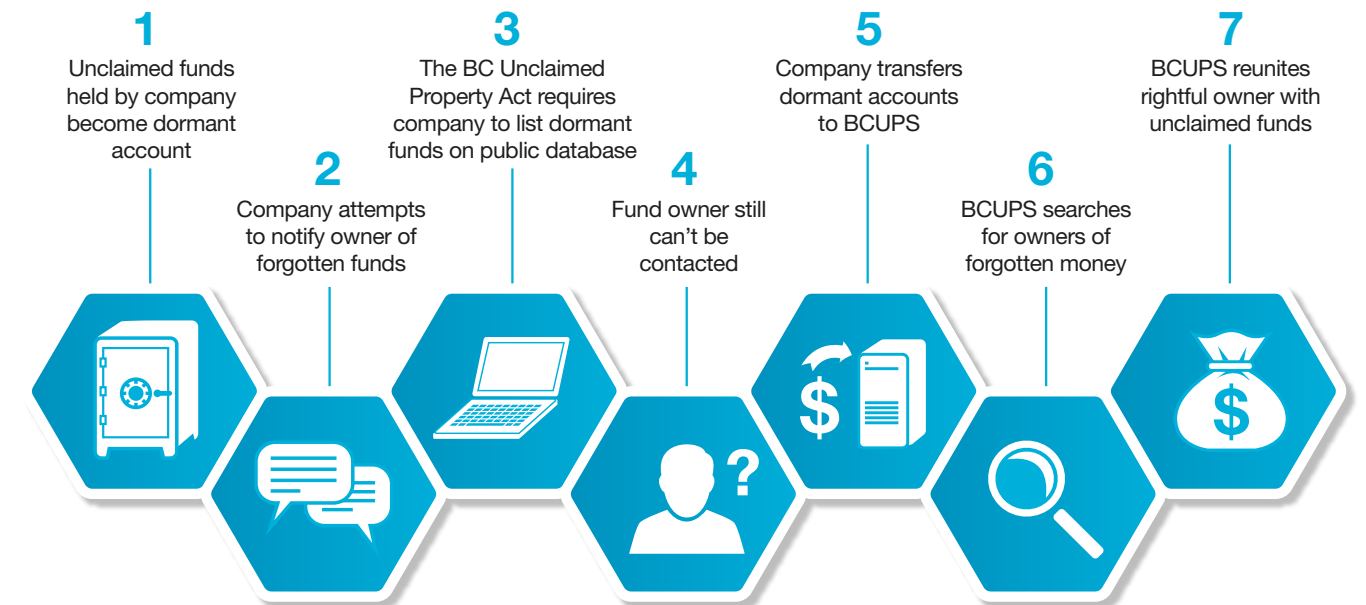
rightful owners cannot be located.

Other organizations holding trust funds, insurance policies, brokerage accounts and closed pension plans are designated as voluntary holders and encouraged to transfer their unclaimed property accounts to BCUPS.

Transferring dormant accounts to BCUPS 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.

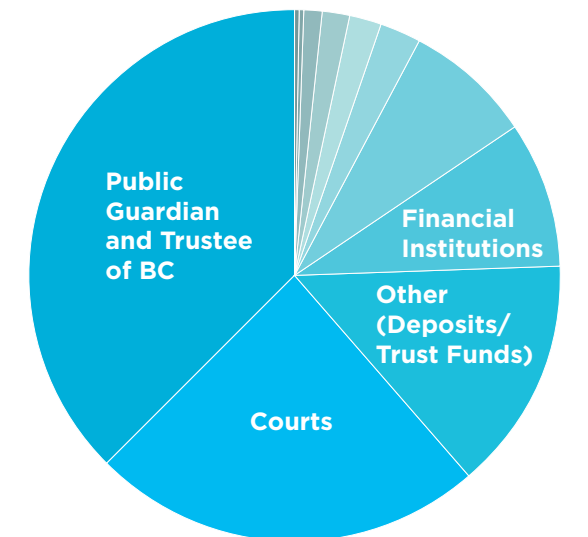
BCUPS staff actively search for the owners of forgotten funds and are dedicated to reuniting unclaimed money with the rightful owners. BCUPS maintains a free online database with the names of unclaimed account holders that individuals can search to see if they have forgotten funds waiting for them.

HOW BUSINESSES SHOULD MANAGE DORMANT ACCOUNTS



WHERE BC'S UNCLAIMED ASSETS CAME FROM IN 2021

Public Guardian and Trustee of BC	37.23%
Courts	23.93%
Other (Deposits/ Trust Funds)	14.36%
Financial Institutions	8.78%
Municipalities	7.79%
Mineral Rights Companies	2.4%
Insurance Companies	2.01%
Real Estate Companies	1.79%
Collection Agencies	1.07%
Closed Pension Plans	0.32%
Provincial Government	0.25%
Companies in Liquidation	0.05%





BCUPS's PHILANTHROPIC BUSINESS MODEL

Each year, a portion of unclaimed funds held by BCUPS is transferred to Vancouver Foundation for charitable purposes. The amount is determined by the BCUPS Board based on an actuarial calculation that ensures sufficient funds are always available to meet future claims.

In 2021, BCUPS transferred \$6.24 million to Vancouver Foundation to support community and social programs. These unclaimed assets are unrestricted funds, which means the Foundation has the flexibility to allocate these funds to address pressing social issues or areas where need is the greatest.

Vancouver Foundation directs these funds to high-priority projects such as combatting the opioid crisis, reducing homelessness, and helping young adults successfully transition out of foster care by providing necessary community, education, and housing support.

\$6.24 Million – Funds from dormant accounts BCUPS transferred to Vancouver Foundation for charitable purposes in 2021.

\$54.65 Million – Amount BCUPS has transferred to Vancouver Foundation since its inception.

HOW ONE CLAIMANT TRACKED DOWN HER FORGOTTEN FUNDS



When searching for unclaimed funds, Surrey-based retired primary school teacher Sue Wallace first did her homework.

She initially became aware of BC's unclaimed property program three

years ago after reading about the BC Unclaimed Property Society in her local community newspaper. She visited the BCUPS's website and noted there was an amount listed under her name, "Susan Wallace" in the unclaimed property database. "I just dismissed it at the time," she recalled, thinking that the balance couldn't possibly belong to her.

It wasn't until February 2020 after her son noticed her name in the BCUPS's database and encouraged her to investigate further, that she decided to take a second look. "It was during the COVID lockdown, and I had nothing but time on my hands, so I thought I'd give it a try," she said.

After finding her name in the database, Sue was still skeptical. "I was also intrigued that there might be some unclaimed money there," she recalled. Sue reviewed the BCUPS's website with a critical eye, gaining a better understanding of the organization, who was behind it, their philanthropic business model, and the procedure for filing a claim. "That really helped," she said. "Doing more research helped sway me to continue."

She contacted BCUPS through the website to find out more information about the balance listed in her name. "Even though the website stated that due to COVID it would take them a while to get back to me, I heard back from

them fairly quickly acknowledging receipt of my inquiry," she said. "Their communication was very prompt, professional, and friendly."

BCUPS's reply to her inquiry indicated the funds were from a dormant credit union account.

Sue recalled opening a Vancity credit union account in 1974 where her brother once worked. She withdrew most of the money from the account before moving to Burns Lake, BC to take a new teaching job in 1978. She arranged for her credit union statements to be forwarded to her parents' home in Surrey. Her parents eventually moved away, and the credit union account was then forgotten.

After hearing back from BCUPS, Sue admits she was still a little apprehensive when asked to provide two pieces of identification and proof of her former credit union account to verify her claim. "It was a bit of a leap of faith, but I thought why not?"

When asked to provide an old credit union statement, she thought, "what are the chances I might still have a statement?" But after an exhaustive search, she located a piece of forwarded mail from the credit union, which she sent to BCUPS.

Shortly after all the documentation was received and confirmed, Sue received a cheque for \$150.

"I was thrilled," she said. "I called my son and told him about it, and he joked that he should get a finder's fee. He didn't get one," she laughed.

"It's a great service. The whole process was seamless. I've since told many of my friends that they should visit the website and search for their name. You never know. You just might find some money you didn't know you had."

BCUPS BOARD OF DIRECTORS

BCUPS 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 BCUPS has adequate resources to fulfil its mandate.

Board members include:



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.



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





British Columbia Unclaimed Property Society

Financial Statements
(Expressed in thousands of dollars)
December 31, 2021

Independent auditor's report

To the Directors of British Columbia Unclaimed Property Society

Report on the audit of the financial statements

Our opinion

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of British Columbia Unclaimed Property Society (the Society) as at December 31, 2021 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.

What we have audited

The Society's financial statements comprise:

- the statement of financial position as at December 31, 2021;
- the statement of operations and fund balances for the year then ended;
- the statement of changes in fund balances for the year then ended;
- the statement of cash flows for the year then ended; and
- the notes to the financial statements, which include significant accounting policies and other explanatory information.

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

Independence

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

PricewaterhouseCoopers LLP
PricewaterhouseCoopers Place, 250 Howe Street, Suite 1400, Vancouver, British Columbia, Canada V6C 3S7
T: +1 604 806 7000, F: +1 604 806 7806

"PwC" refers to PricewaterhouseCoopers LLP, an Ontario limited liability partnership.

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.

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.

PricewaterhouseCoopers LLP

Chartered Professional Accountants

Vancouver, British Columbia
April 11, 2022

British Columbia Unclaimed Property Society

Statement of Financial Position
(Expressed in thousands of dollars)

As at December 31, 2021 with comparative information for 2020

	December 31, 2021			December 31, 2020		
	Restricted	Unrestricted	Total	Restricted	Unrestricted	Total
Assets						
Current assets						
Cash and cash equivalents	\$ 5,040	\$ 1,864	\$ 6,904	\$ 5,152	\$ 1,246	\$ 6,398
Accounts receivable	-	6	6	-	7	7
Prepaid expenses	-	13	13	-	13	13
	5,040	1,883	6,923	5,152	1,266	6,418
Investments (note 3 (a))	34,147	-	34,147	37,097	232	37,329
Capital assets	-	9	9	-	6	6
Total assets	\$ 39,187	\$ 1,892	\$ 41,079	\$ 42,249	\$ 1,504	\$ 43,753
Liabilities and Fund Balances						
Current liabilities						
Accounts payable and accrued liabilities (note 4(a))	\$ -	\$ 113	\$ 113	\$ -	\$ 63	\$ 63
Deferred revenue	235	-	235	412	-	412
	235	113	348	412	63	475
Fund Balances (note 2(a))						
Restricted funds						
Old unclaimed property funds	312	-	312	335	-	335
New unclaimed property funds	38,640	-	38,640	41,502	-	41,502
	38,952	-	38,952	41,837	-	41,837
Unrestricted fund						
	-	1,779	1,779	-	1,441	1,441
	38,952	1,779	40,731	41,837	1,441	43,278
Total liabilities and fund balances	\$ 39,187	\$ 1,892	\$ 41,079	\$ 42,249	\$ 1,504	\$ 43,753

Commitments (note 4)

See accompanying notes to the financial statements.

Approved by the Board of Directors on April 11, 2022

Director



Director



British Columbia Unclaimed Property Society

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

For the year ended December 31, 2021 with comparative information for 2020

	December 31, 2021			December 31, 2020		
	Restricted	Unrestricted	Total	Restricted	Unrestricted	Total
Revenue						
Receipts of unclaimed property (note 5)	\$ 4,061	\$ -	\$ 4,061	\$ 4,839	\$ -	\$ 4,839
Investment and interest income (note 3(b))	-	1,568	1,568	-	1,048	1,048
	4,061	1,568	5,629	4,839	1,048	5,887
Expenses						
Operating expenses						
Compensation (note 6)	-	592	592	-	535	535
Office administration	-	199	199	-	231	231
Information and technology consulting	-	256	256	-	243	243
Investment management fees	-	108	108	-	106	106
Rent (note 4(a))	-	56	56	-	58	58
Management fees (note 4(a))	-	14	14	-	13	13
Amortization	-	5	5	-	4	4
	-	1,230	1,230	-	1,190	1,190
Distributions to claimants						
Old unclaimed property funds	23	-	23	84	-	84
New unclaimed property funds	681	-	681	931	-	931
Transfers to Vancouver Foundation (note 4(b))	6,242	-	6,242	6,979	-	6,979
	6,946	1,230	8,176	7,994	1,190	9,184
(Deficiency) excess of revenue over expenses	(2,885)	338	(2,547)	(3,155)	(142)	(3,297)
Fund balances, beginning of the year	41,837	1,441	43,278	44,992	1,583	46,575
Fund balances, end of the year	\$ 38,952	\$ 1,779	\$ 40,731	\$ 41,837	\$ 1,441	\$ 43,278

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, 2021 with comparative information for 2020

	December 31, 2021				December 31, 2020			
	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	\$ 335	\$ 41,502	\$ 1,441	\$ 43,278	\$ 419	\$ 44,573	\$ 1,583	\$ 46,575
(Deficiency) excess of revenue over expenses	(23)	(2,862)	338	(2,547)	(84)	(3,071)	(142)	(3,297)
Fund balances, end of the year	\$ 312	\$ 38,640	\$ 1,779	\$ 40,731	\$ 335	\$ 41,502	\$ 1,441	\$ 43,278

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, 2021 with comparative information for 2020

	2021	2020
Cash provided by (used in):		
Operations		
(Deficiency) excess of revenue over expenses	\$ (2,547)	\$ (3,297)
Items not affecting cash		
Amortization	5	4
Realized gain on disposal of investments	(536)	(43)
Unrealized gain on investments	(61)	(22)
	(3,139)	(3,358)
Changes in non-cash operating working capital		
Accounts receivable	1	-
Prepaid expenses	-	(2)
Accounts payable and accrued liabilities	(127)	416
Net cash used in operations	(3,265)	(2,944)
Investing activities		
Disposal of investments	20,283	5,672
Purchase of investments	(16,504)	(3,672)
Capital asset additions	(8)	(4)
Net cash from investing activities	3,771	1,996
Increase (decrease) in cash and cash equivalents	506	(948)
Cash and cash equivalents, beginning of the year	6,398	7,346
Cash and cash equivalents, end of the year	\$ 6,904	\$ 6,398

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, 2021

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 from 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 from 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

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

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(Expressed in thousands of dollars)
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New Unclaimed Property Funds

Pursuant to the Agreement, funds received after April 1, 2003 are recorded as Restricted - New Unclaimed Property 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's financial instruments consist of cash and cash equivalents, accounts receivable, investments, and accounts payable and accrued liabilities.

i) Cash and cash equivalents

Cash and cash equivalents consist of balances held with Canadian financial institutions to meet short-term cash commitments and deposits in transit.

ii) Investments

Investments include pooled investment funds which are initially measured and subsequently carried at fair value, and guaranteed investment certificates which are initially measured at fair value and subsequently carried at amortized cost. Transaction costs are expensed as incurred.

iii) Other financial instruments

Accounts receivable, and accounts payable and accrued liabilities are initially measured at fair value and subsequently carried at amortized cost. The fair value approximates the carrying value.

c) Capital assets

Capital assets are recorded at cost. Assets in use are amortized over their estimated useful lives. Management has estimated the useful lives to be:

<u>Asset</u>	<u>Rate and Basis</u>
Computer equipment	3 years straight-line

d) Related parties

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

British Columbia Unclaimed Property Society

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The Society was indirectly controlled by the Vancouver Foundation, which held all the shares in the three corporations that were the sole members of the Society until May 8, 2020, when the three corporations had been dissolved.

Transactions with Vancouver Foundation are conducted in the standard course of business and are measured at the amount of consideration established and agreed to by both 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 New Unclaimed Property Funds to Vancouver Foundation for charitable purposes in British Columbia, as detailed in note 4(b).

e) Revenue recognition

Unclaimed property funds received are recognized as revenue to the Restricted Funds upon receipt of both funds and related legal documents.

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) 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.

g) 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. Estimates include useful life assessments over capital assets and fair value determination over investments. Actual results could differ from these estimates.

h) 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

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3 Investments

The Society's investments comprise the following:

a) Investment portfolio:

	2021	2020
Cash and money market securities	\$ -	\$ 5,573
Guaranteed investment certificates	10,847	14,664
Pooled investments funds - mortgage-backed securities	6,961	11,521
Pooled investment funds - fixed income	8,841	-
Pooled investment funds - global equities	7,498	5,571
	<u>\$ 34,147</u>	<u>\$ 37,329</u>

b) Investment and interest income:

	2021	2020
Investment income	\$ 947	\$ 921
Bank interest	24	62
Realized gain on disposal of investments	536	43
Unrealized gain on investments	61	22
	<u>\$ 1,568</u>	<u>\$ 1,048</u>

4 Related party transactions

a) General operating transactions

The Society rents office space from Vancouver Foundation, in respect of which it incurred \$56 (2020 - \$58) for the year ended December 31, 2021. In addition, for the year ended December 31, 2021, the Society paid management service fees of \$14 (2020 - \$13) to Vancouver Foundation for general management, and other administrative services. As of December 31, 2021, the Society had \$17 (2020 - \$nil) balance owing to Vancouver Foundation for rent and management fees.

b) Transfers to Vancouver Foundation

The Society is permitted by the Agreement to transfer funds to Vancouver Foundation for charitable purposes. The Society transferred \$6,242 (2020 - \$6,979) to Vancouver Foundation in 2021. Cumulatively the Society has transferred \$54,646 (2020 - \$48,404) to Vancouver Foundation since 2004.

British Columbia Unclaimed Property Society

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The Society is committed to transfer \$4,175 to Vancouver Foundation in 2022 by following the Agreement.

5 Receipts of unclaimed property

Receipts of unclaimed property include:

	2021	2020
New unclaimed property funds	\$ 4,061	\$ 4,839
Old unclaimed property funds	-	-
	\$ 4,061	\$ 4,839

6 Employee compensation

In accordance with the disclosure requirements of the Societies Act, three (2020 - three) employees received compensation more than \$75 per individual for the year ended December 31, 2021. Their compensation for the year ended December 31, 2021 was \$344 (2020 - \$333).

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, 2021, 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.

As of the valuation date January 1, 2021, the most recent actuarial valuation indicated an actuarial surplus of \$3,270,200, representing 19% of the Plan's actuarial liability (2020 - 18%). This indicates that \$1.19 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(h), the Society does not recognize any share of the Plan's surplus or deficit. During the year, the Society contributed \$52 towards the Plan (2020 - \$11); these contributions are included with compensation expenses in the statement of operations and fund balances.

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8 Financial risk management

The Society has exposure to the following risks from its use of financial instruments: market risk, credit risk and liquidity risk.

a) Market risk

Market risk is the risk that the fair value of an investment will fluctuate as a result of changes in market conditions, whether those changes are caused by factors specific to the individual investment or factors affecting all securities traded in the market. Market risk comprises interest rate risk, foreign currency risk and equity price risk.

i) Interest rate risk

Interest rate risk is the risk that the market value of the Society's interest-bearing financial instruments will fluctuate due to changes in the prevailing interest rates. The Society manages its interest rate risk by investing in a diversified portfolio.

ii) Foreign currency risk

Investments in foreign securities are exposed to currency risk due to fluctuations 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.

iii) Equity price risk

Equity price risk is the risk that the fair value of equity financial instruments will fluctuate due to changes in market prices. The Society is exposed to equity price risk on its equity securities. The Society reduces this risk by investing in securities with a lower level of volatility.

b) Credit risk

Credit risk is the risk of loss associated with the inability of a counterparty to fulfill its obligations under the terms of a financial instrument. The maximum exposure to credit risk is the carrying value of investments. 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.

c) Liquidity risk

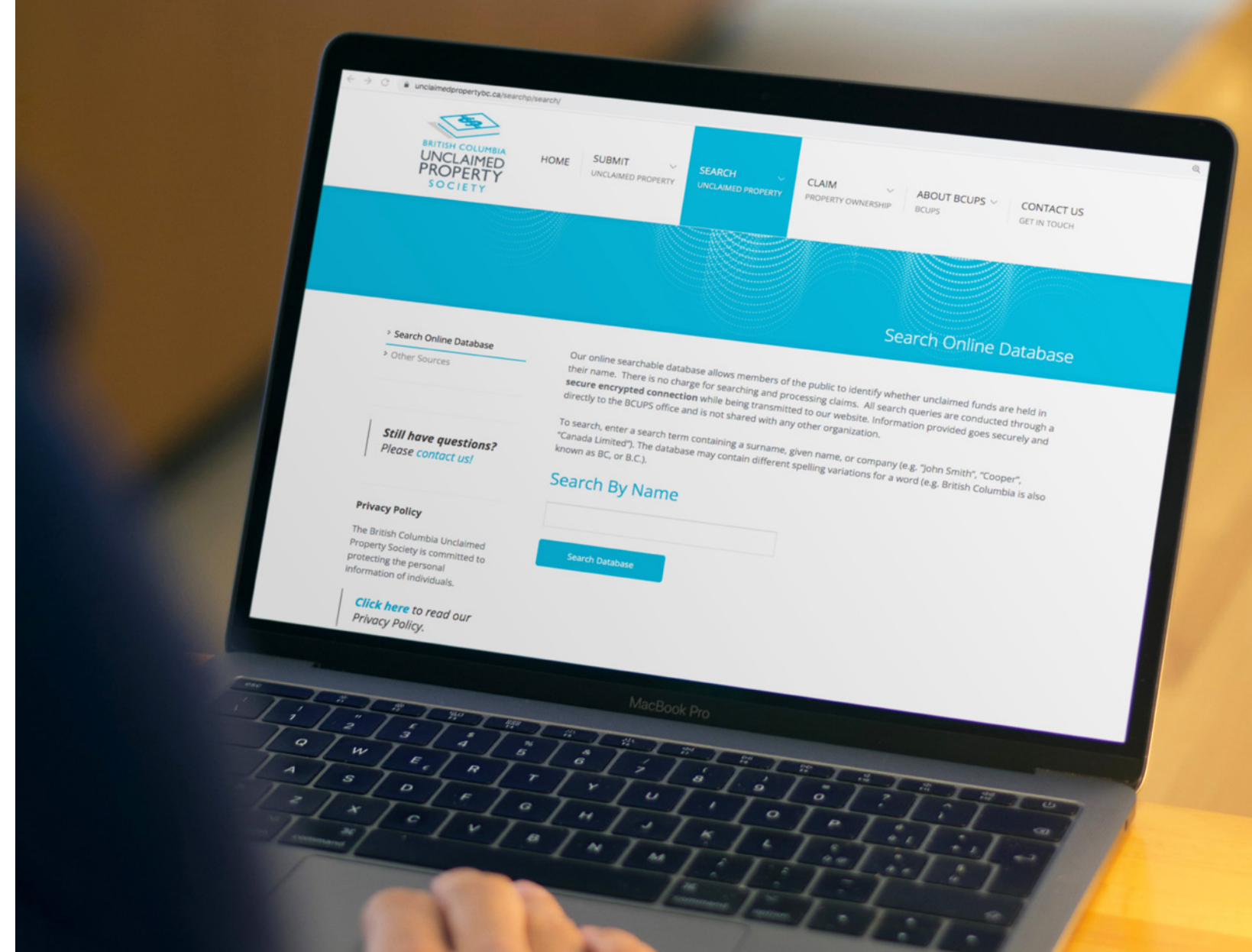
Liquidity risk is the risk that the Society cannot meet the demand for cash or fund its obligations as they become due. Management minimizes the Society's exposure to liquidity risk by regularly monitoring cash flow projections and holding a sufficient balance in cash to meet its anticipated obligations.

British Columbia Unclaimed Property Society

Notes to Financial Statements
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9 Comparative information

Certain comparative information has been reclassified to conform with the financial statement presentation adopted for the current year.



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