

REGIONAL DISTRICT OF FRASER-FORT GEORGE

# 2022 ANNUAL **CULTURAL** REPORT



REGIONAL DISTRICT  
of Fraser-Fort George



## **Regional District of Fraser-Fort George Cultural Vision Statement**

The Regional District of Fraser-Fort George is recognized locally, provincially and nationally for the high quality and diversity of its cultural offerings.

Residents in large numbers attend the events and facilities and are active in telling visitors to the region about the cultural activities offered throughout the Regional District.

Both domestic and international cultural tourists have put the Regional District on their lists of places to visit, creating significant positive economic impact within the Regional District.

The cultural institutions and events are experiencing sustained growth due to cultural groups working together collaboratively and cooperatively in planning and developing institutions and events.

The cultural vibrancy of the region has resulted in new businesses locating in the Regional District and existing businesses and institutions are able to attract a qualified work force.



**REGIONAL DISTRICT**  
of Fraser-Fort George

## Table of Contents

3	Introduction
4	Tourism Statistics & Performance Indicators
6	Cultural Marketing Program
8	Curatorial Support & Outreach
10	Cultural Sites' Activities
12	The Exploration Place Museum & Science Centre
16	Two Rivers Gallery
20	Central BC Railway & Forestry Museum
24	Huble Homestead Historic Site
26	Mackenzie & District Museum
28	Valley Museum & Archives
30	Whistle Stop Gallery
34	Valemount & Area Museum & Archives
36	Appendix: Cultural Sites' Financial Statements

## Introduction

The Regional District of Fraser-Fort George's Cultural Plan for 2021 to 2022 was produced in 2020 using input from many stakeholders and arts and cultural organizations from throughout the Regional District to support arts, culture and heritage through the challenges of the COVID pandemic.

The Cultural Plan provides funding and support to eight regional museums, galleries and historic sites. That certainty and stability allows these cultural sites to plan their work more effectively and to continue to enrich our communities through history, art and science. The cultural sites — in Mackenzie, Prince George, McBride and Valemount — give local residents and visitors the opportunity to learn about the region's past, help celebrate and interpret community milestones, and entertain and educate.



# 2022 TOURISM STATISTICS & PERFORMANCE INDICATORS

**BC Ferry Traffic\*** on the Inside Passage and Haida Gwaii Routes was 193,888, up 39.5% from 2021.

**Highway Volume\*** on Route 97, from Marguerite Ferry Crossing Road north, was 1,125,451, up 5.1% and Route 16 east of Tete Jaune Cache was 1,328,863, up 12.4% from 2021.

## Visitor Volume at Visitor Information Centres\*

increased significantly to 44,439 in the region's four major communities during 2022 when compared to a total of 27,372 in 2021:

	2022	2021	Change
Mackenzie	7,774	7,567	+2.7%
McBride	17,831	9,379	+90.1%
Prince George	5,713	2,385	+139.1%
Valemount	13,121	8,041	+63.2%

**Airport Passenger Volume\*** was up 81.0% from 2021 at the Prince George Regional Airport to 364,663.

**Estimated Room Revenue\*** for Prince George was \$54,468,000, up 39.3% from 2021.

“Tourism has – and will always be – integral to who we are as British Columbians. A thriving tourism industry contributes to an inclusive economy and provides a pathway for jobs, opportunity, and entrepreneurship in our province.”

The Strategic Framework for Tourism  
The Province of British Columbia



## Conclusions

As expected, visitor attendance at the Regional District of Fraser-Fort George’s eight funded cultural sites continued to increase and recover after the lows of the COVID pandemic. In 2022, over 24% more people visited the sites as compared to 2021. Employment also increased slightly during 2022 with the re-opening of The Exploration Place and other cultural sites returning to more active business operations.

The leadership, staff and volunteers at The Exploration Place, Two Rivers Gallery, Central BC Railway and Forestry Museum, Huble Homestead, Mackenzie and District Museum, Valley Museum and Archives, Whistle Stop Gallery and Valemount Museum and Archives have accomplished much in 2022 and they continue to support the cultural experience in the Regional District of Fraser-Fort George.

### Combined Statistics for the RDIFFG’s Eight Funded Cultural Sites

	2022	2021	Change
Visitors	93,183	74,920	+24.4%
Est. outreach contacts <sup>1</sup>	24,589	27,773	-11.5%
Memberships	1,055	683	+54.5%
Jobs (full & part time)	69	65	+6.2%
Summer students	31	32	-3.1%
School children visits	8,785	3,958	+122%
Volunteers	184	141	+30.5%
Volunteer hours	7,500	4,618	+62.4%
Artifacts, images, documents donated	484	477	+1.5%

<sup>1</sup> includes visits to schools, special events off-site and online programs

# CULTURAL MARKETING PROGRAM



*Launched in 2008, the cultural marketing program promotes the eight sites funded by the Regional District of Fraser-Fort George. Two other cultural sites, Barkerville Historic Town and Park and the Fort St. James National Historic Site, have been partners in the program since 2010 and pay to participate in promotions. The program was first known as the Golden Raven and was re-branded to Northern Routes Cultural Experience in 2018.*

Northern Routes' promotional plans for 2022 were still hampered by the lingering effects of the COVID pandemic as the program serves to support and amplify the cultural sites' operations and activities. Without the full return to large-scale events and promotions, Northern Routes focused on online advertising and social media messaging through sharing and boosting of posts.

Northern Routes' marketing expenses totaled approximately \$29,000 during 2022 to maintain brand profile and support cultural sites' activities. This amount is still scaled back in comparison to pre-pandemic times, but it does represent a 56% increase over the amount spent in 2021 as business returned to new normal levels. 2022 marketing tactics included:

- The website [northernroutes.ca](http://northernroutes.ca) was updated with blog content about the cultural sites. These blogs were also posted and boosted on Facebook for a greater reach and to increase website traffic.
- Regular posts were made on two social media channels to promote the events and experiences happening at the cultural sites. The Northern Routes Facebook page reached 725 followers and the Instagram page increased to 675 followers, which were increases of approximately 5% over 2021.
- Photography and video projects occurred at the Mackenzie and District Museum, Fort St. James National Historic Site and the brand new Exploration Place.
- *The Northern Routes Discovery Pass* also continued, removing barriers for residents to explore the ten museums, galleries and cultural attractions when they were open to the public. Passes are valid for general admission for four adults or children over a loan period of two weeks. The program is offered throughout the region and surrounding areas and passes can be borrowed at public libraries in Prince George, Mackenzie, McBride, Valemount, Wells and Quesnel.

In 2023 these tactics have all continued and more photo shoots have occurred in the Robson Valley at the Valley Museum and Archives, the Whistle Stop Gallery and the Valemount Museum. The Route 16 cooperative marketing partnership led by Tourism Prince George also continues and a new project with Northern BC Tourism was started to generate content for the cultural attractions in McBride, Prince George, Mackenzie and Fort St. James.



# OUTREACH ACTIVITIES

The Exploration Place and Two Rivers Gallery both provide curatorial expertise and support to other Regional District funded cultural sites as a requirement of their funding agreements. The eight cultural sites all have strong working relationships and offer support to each other.

The Exploration Place has taken a leadership role in the developing an Argus Museum Collections Management Software database for public access to artifacts, and digitizing and cataloguing historical records. This online public curatorial database with collections from several Northern Routes partners and the Lheidli T'enneh Nation launched in early 2021.

## Two Rivers Gallery Outreach Exhibition & Program

Two Rivers Gallery's Regional Outreach Exhibition continued in 2022 with *Immigration: a Conversation* featuring 13 artworks from eight BC-based artists:

- Sarah Addison
- Brigitte Badowich
- Lea Bucknell
- Jose Delgado-Guevara
- Mohadese Movahed
- Rana Sahraei
- Alison Trim
- Macayla Yan

The exhibit traveled to the following cultural sites within the Regional District of Fraser-Fort George during 2022:

- Valemount Museum and Archives: August 8 to September 6
- Valley Museum and Archives: September 10 to October 4
- Mackenzie Community Arts Centre: October 6 to November 4



*Imagination on the Move* was the regional outreach program delivered to Regional District schools. It celebrated community through art and words and taught a different perspective of sculpture and art.

The program was coordinated by Two Rivers Gallery's summer students Samantha Scott and Juri Sudo-Rustad. Teachers first hosted story-times and discussions on the book *Make Meatballs Sing* which deals with community and social justice. Both primary and intermediate grades then created signs and posters about a places in their communities. This was followed up by a visit from the Two Rivers Gallery students to discuss community spaces and personal identities, with an activity to create "sensing sticks" or wands to represent a narrative of the students' choosing. The Kindergarten to Grade 4 students were the most enthusiastic about having an art object to bring home and expressed their ideas and feelings on the different subjects. The intermediate grades were more difficult to cater to and the lessons were adjusted by the program coordinators as needed and included adding prompts to provide ideas on the different places or things around Prince George, McBride, Valemount and Mackenzie.

This program was delivered at to more than 50 classes in nine schools, reaching just over 1,100 students:

- McBride Centennial Elementary: 80 students
- Morfee Elementary: 291 students
- Ron Brent Elementary: est 40 students
- Nukko Lake Elementary: 107 students
- Buckhorn Elementary: 134 students
- Giscome Elementary: 31 students
- Hixon Elementary: 40 students
- Blackburn Elementary: 257 students
- Valemount Elementary: 123 students



Recreation of CP lines Spiral Tunnels

**THE SPIRAL TUNNELS**

Between Lake Louise, Alta and Field, B.C. on Hwy #1




NO BICYCLES ALLOWED IN THIS AREA  
 PLEASE STAY ON THE PATH  
 NO BICYCLES ALLOWED IN THIS AREA





# CULTURAL SITES' ACTIVITIES



# THE EXPLORATION PLACE MUSEUM & SCIENCE CENTRE

## 2022 Highlights

The Exploration Place's most significant highlight of 2022 was its grand reopening on October 29. After closing its doors in March 2020 due to COVID-19, it took the opportunity to transform the visitor experience, while still continuing to engage with and educate the community outside its building. The *Living Evolution Expansion & Adaptation Project* saw a complete building-wide renovation and programming and curatorial shift. Incorporating safety as an outcome, *Living Evolution* reflects broader cultural trends for museums and science centres, focusing on the communities of Northern BC, their culture, geography, and environment. This project improved the quality and accessibility of cultural infrastructure in the region, strengthening earned revenue streams and generating increased memberships, admissions, and sales.

Along with expanding existing galleries and improving accessibility, new galleries and revenue streams were created. Labour and contractor delays pushed back the reopening by five months, but this \$2 million project was fully funded and on budget. There was a special VIP and members-only event, followed by a soft opening for healthcare professionals and their families. The following changes were made to the museum building and experience:

- conversion of the public atrium to the Gaia Gallery with a 90' by 20' living wall, designed and built entirely in-house, and exhibits and interpretation exploring paleontology, paleobotany, prehistory, and climate science through the lens of deep time
- expansion of the Biome natural history gallery to house new Animal Ambassadors
- expansion of the George Phillips Exhibit Gallery and relocation to the main floor to increase accessibility and accommodate larger travelling and in-house exhibits
- expansion of the Ted Williams History Centre to make space for future exhibits in partnership with other equity-deserving groups that have had an impact on our region's post-contact development
- creation of the Mosaic Gallery, highlighting repatriation work in partnership with Indigenous communities in BC's central interior and focusing on the ethnography and customs of these diverse peoples and their cultures



At The Exploration Place Museum & Science Centre visitors can discover local history, explore hands-on science and enjoy regularly changing exhibits. The museum building just underwent a significant renovation and was closed to the public for most of 2022. Virtual programming, outreach activities and a Pop Up location were used to connect with the community during the temporary closure. In the summer months The Exploration Place also operates the Fort George Railway.

In 2022 The Exploration Place had 23 full time and 6 part time staff, and seven summer students.

- expansion of gift shop services with the creation of Elements Retail
- creation of Origins Kitchen, a commercial teaching kitchen providing food service to visitors at the museum and Lheidli T'enneh Memorial Park, catering and educational programming
- updating vital building components and systems, including roof, security systems, and ventilation/HVAC system, increasing energy efficiency and ensuring a safer experience for staff, volunteers, and visitors

Due to the unexpected delay in reopening, The Exploration Place was thrilled to have the opportunity to work with its partners to host an important travelling exhibit scheduled for June 2022. *The Witness Blanket* from the Canadian Museum of Human Rights is a powerful art installation by master carver Carey Newman and bears witness to the truths of residential school Survivors to foster understanding among Indigenous and non-Indigenous people. Thanks to generous partners, *The Witness Blanket* was displayed at UNBC, in partnership with UNBC and the Lheidli T'enneh Nation. After reopening, The Exploration Place hosted two more travelling exhibits, *BEES!* From the Museum of Surrey and *Arctic Voices* from Science North.

	<b>2022</b>	<b>2021</b>	<b>Change</b>
Visitors	38,390	41,142	-6.7%
Train passengers	9,543	1,248	+664.7%
Memberships	694	427	+62.5%
Volunteers	2	-	+
Volunteer hours	1,870	-	+
Admission revenue <sup>1</sup>	\$80,343	\$46,175	+74.0%
Fundraising revenue <sup>2</sup>	\$204,225	\$13,244	-1,442.0%
Gift Shop sales <sup>3</sup>	\$76,820	\$57,736	+33.1%
RDFFG grant	\$800,000	\$800,000	-
Other grants	\$1,358,810	\$1,380,408	-1.6%
<b>Total operating budget</b>	<b>\$2,809,863</b>	<b>\$1,836,517</b>	<b>+53.0%</b>

<sup>1</sup> Includes program & membership fees

<sup>2</sup> Includes special events, sponsorships & donations

<sup>3</sup> Includes food & ice cream sales

During its closure, The Exploration Place continued to offer virtual programming and educational kits to schools and community groups in School District 57 and other school districts in Northern BC. Along with Tech-Up coding programming and kits in partnership with Science World, it ran virtual and on-location in the community Science Alliance summer workshops, Explorers Urban Garden programs, March Break Ozobot coding workshops, virtual Adult Speaker Series, and more events like the Canadian Association of Science Centres' Week of Wonder and Science Odyssey programming. In addition, it offered the KEVA program to local schools free of charge, thanks to generous sponsors.

The Exploration Place continued to operate its Pop-Up location in Pine Centre Mall in early 2022. The partnership with Pine Centre Mall allowed it to reengage with the community for the first time in over two years. The location housed the Elements Retail gift shop with space devoted to in-person programming. The Pop-Up location was successful and welcomed 68,941 visitors from November 2021 until April 2022.

The Exploration Place signed an MOU in 2021 and partnered with the Maiyoo Keyoh on a repatriation project that culminated in 2022 with the arrival of a significant artifact from across the country. Since locating a family human hair headdress in 2017, the Maiyoo Keyoh had been working to bring this cultural item home from the Royal Ontario Museum to Northern BC. The headdress formerly belonged to George A'Huille, the Keyohwhudachun (hereditary chief) of the Susk'uz Whut'en, in the mid-19th century. Petra Munroe is the great-great-granddaughter of George A'Huille and the current Keyohwhudachun. The Maiyoo Keyoh is the only Indigenous group with a legitimate cultural connection to the headdress, the only tangible reminder of traditional Indigenous governance in this region.

The headdress is now displayed as part of a Maiyoo Keyoh exhibit in the Mosaic Gallery for viewing by their members, other Indigenous groups, and Canadians at large. The exhibit educates the general public about keyohs, hereditary governance, and the importance of returning cultural items to their traditional owners. This was the first exhibit featured in the Mosaic Gallery and was developed in partnership with the Maiyoo Keyoh.

In 2022, The Exploration Place also contracted an HR consultant to update its HR policies. A significant focus of the new policy handbook is the new Cultural Safety Policy and a complete update of our Respectful Workplace Policy and Gender Identity and Sexual Orientation Policy. The Museum is proud to be an inclusive space where staff, partners, and clients are accepted and feel comfortable sharing their perspectives.

Work was also started to develop programming as part of GenAction, a national initiative by the Canadian Association of Science Centres to raise awareness and improve understanding of climate change in youth. The Exploration Place is designing and implementing climate science programming for K-12 youth across Northern BC and will focus on traditionally overlooked populations, delivering programs free of charge to rural, remote, and Indigenous communities.

## **2023 Plans**

The Exploration Place's board and team spent the last year focused on completing renovations. This year, there will be fine-tuning of new earned revenue streams to support our important programs and exhibits. The entire operation has been re-imagined to support a long-term mission and financial stability, and also achieve new goals around community engagement, equity and diversity, and climate science. Going forward, the pillars of Truth and Reconciliation and climate will form the basis of all future work.

2023 will see significantly ramping up of school and outreach programming. The focus for the next two years will be to update, redesign and expand school programs in collaboration with teachers, post-secondary educators and staff experts to ensure the programs are accurate, engaging, and curriculum-linked. Locally, The Exploration Place will increase outreach to classrooms and visiting classes and create additional programs to build upon current offerings. Regionally, there will be an expansion of travelling programs, coding and computational thinking programming, and climate science programming to

classrooms across Northern BC.

The Exploration Place will begin development of Origins Kitchen educational programming. Classes in this commercial teaching kitchen will educate people on eating and sourcing well in all capacities. The aim is to positively impact the community by teaching food skills in a welcoming, accessible environment that encourages discovery and creativity, and empower participants with basic nutrition, culinary, and food security education in a hands-on way. The education will improve food skills, from cooking to learning where food comes from to limiting the effects on the environment to teaching how to make cooking cost-effective by shopping within a budget. The programming will induce lifestyle changes through collaborative skill-building and strategies for measurable health outcomes. There will also be classes targeted to at-risk populations, such as low-income residents, single parents, seniors, and underserved communities.

This year The Exploration Place will also begin the relationship-building process with diverse, under-represented groups affected by colonialism to tell the stories of their contributions to the region. Many non-dominant societies have roles in post-contact development, including other neighbouring First Nations alongside the Lheidli T'enneh, as well as the Black, Chinese, South Asian, LGBTQ2S+, and other groups whose stories have yet to be reflected in our galleries.

In 2023, The Exploration Place will develop a new strategic plan to guide the organization over the next three to five years. Feedback from members, visitors, regional partners, funders, regional First Nations, and provincial and national partners will inform this plan, ensuring that the museum evolves to meet the needs of Northern BC's communities.

After pandemic-related delays, construction will begin this spring on a new culturally-safe childcare centre in Lheidli T'enneh Memorial Park in partnership with the Lheidli T'enneh.

After the Living Evolution renovation project, in addition to in-house exhibits, The Exploration Place is excited to have the capacity to bring larger travelling exhibits from national institutions to Northern BC in 2023 including:

- *Arctic Voices* from Science North
- *Lumen* from Sherbrooke Museum of Science and Nature
- *World War Women* from Canadian War Museum
- *Broken Promises* from Nikkei National Museum & Cultural Centre

The Exploration Place Board of Trustees, membership, and staff would like to take this opportunity to thank the Regional District of Fraser-Fort George for its support and for having had the foresight to establish multi-year funding for cultural institutions and to embrace the critical role these organizations play in our communities. Support from the Regional District has been vital for continued growth and supports its work as the northern region's largest cultural institution.





Two Rivers Gallery is guided by artistic excellence in exhibitions and programming, and creativity, and innovation drive the organization. The gallery values engagement through participation and collaboration, contributing to the social benefit of the region. Each year the gallery develops contemporary Canadian art exhibits in the Canfor galleries, and community exhibits in the Rustad Galleria. Visitors attend exhibition tours, artist talks or use the self-guided brochures and the hands-on studio to create projects inspired by the exhibitions. The gallery shop offers a quality craft and gift items. The Atrium and studios host classes, programming, special events and creative play in the Wildside. Constructed and finished to the highest standards for international calibre exhibitions, the facility is the visual arts headquarters for the region. Two Rivers Gallery is run by the nonprofit Prince George Regional Art Gallery Association. In 2022 there were 11 full time and eight part time employees, and five summer students.

## 2022 Highlights

There were many significant moments throughout 2022 for Two Rivers Gallery, and it was a year that began with many COVID restrictions in place and concluded with many of them dissolved as the gallery returned to in-person programs. The resilience and commitment of its staff has been a very important factor in ensuring the ongoing and smooth operation of Two Rivers Gallery and a strong set of programs.

*The Politics of Sound* curated by Tyler J Stewart was an exhibition featuring the work of seven artists. It opened in January and considered how sound is used as a force of oppression and conversely as a means of resistance. The exhibition featured Jamilah Malika Abu-Bakare, Adam Basanta, Michèle Pearson Clarke, Marjie Crop Eared Wolf, Maskull Lasserre, Benny Nemer and Jessica Thompson, many of whom participated in programs related to the exhibition. Marjie Crop Eared Wolf participated in a panel discussion looking at Indigenous Language revitalization. Michèle Pearson Clarke travelled to Prince George and to present the gallery's first in-person talk of the year which slowly started a re-emergence from the pandemic.

Rita Leistner's exhibition *The Treeplanters* opened in April and the gallery collaborated with Peter Maides and Cinema CNC to screen Rita Leistner's documentary *Forest for the Trees*. Treeplanter and tattooist Laurence Morin set up a tattooing station under her portrait in the exhibition and invited treeplanters and others to participate in a two-day long tattooing performance. Unfortunately, the exhibition was interrupted by a fire that significantly impacted the gallery shop and the south gallery.

Two Rivers Gallery is a partner in the BC Heritage Emergency Response Network and another highlight of the year was hosting a two-day emergency disaster response workshop for the region's museum professionals. Five of the gallery's staff attended the workshop and a week later, they put what they learned into action with a small electrical fire. Nobody was harmed and the damage could have been substantially worse, but the fire forced the closure of the shop and south gallery for the rest of the year for restoration.



# TWO RIVERS GALLERY

Community Art Days, an evolved version of Kidz Art DAYZ, was scheduled for the week after the fire. The Galleria, the second floor atrium and just about every other available space was taken up by items from the shop as staff triaged and dried materials affected by the fire. It is a great credit to everyone at Two Rivers Gallery that Community Art Days not only continued unhindered, but saw around 7,000 participants over two days.

Later in July *Immigration: A Conversation* opened with stories around immigration. A smaller version of this exhibition was also developed for museums in Mackenzie, McBride and Valemount as part of the regional outreach exhibition program. Gallery staff also reached out to the Immigrant and Multicultural Services Society and organized a series of workshops including a community storytelling evening where new residents of Canada related some of their experiences around immigration. Another highlight was a special evening with HUGS for Ukrainians displaced by war. Staff worked with participants on a creative activity and hosted a dinner with songs and cultural celebrations.

*Hope* was the final exhibition of the year in the main galleries and featured seven artists from the South Asian Diaspora. It was curated by Sandeep Johal and her curatorial

	<b>2022</b>	<b>2021</b>	<b>Change</b>
Visitors	17,269	4,248	+306.5%
Memberships	217	127	+70.9%
Volunteers	6	15	-60.0%
Volunteer hours	243	479	-49.3%
Admission revenue <sup>1</sup>	-	-	-
Fundraising revenue <sup>2</sup>	\$10,267	\$7,695	+33.4%
Gift shop sales	\$36,718	\$46,555	-21.1%
RDFFG grant	\$520,000	\$520,000	-
Other grants	\$638,909	\$744,047	-14.1%
Total operating budget	\$1,469,574	\$1,250,353	+17.5%

<sup>1</sup> Admission is now only by donation

<sup>2</sup> Includes special events, sponsorships & donations



statement was translated into Arabic, Hindi, Urdu and Punjabi (Gurmukhi) representing the linguistic origins of the seven artists in the exhibition. The exhibition catalogue was designed by Mustaali Raj, one of the exhibition artists, and included an essay by Vancouver-based curator Jas Lally.

2022 saw noteworthy exhibitions in the Galleria, an exhibition space that supports regional and emerging artists, including Mercedes Minck's *Wobbly*, Haley Bassett's *Matrilineal* and *Lheidli: Where Two Rivers Meet*, a collaborative exhibition between Emily Carr University of Art + Design, CNC and the Aboriginal Gathering Place. This exhibition told the story of a project in which artists, elders, Indigenous knowledge holders and a physician met virtually and in person to develop a new model for cultural safety education for health care students. This project culminated in a three-day workshop in Prince George in which participants created art objects which were displayed in the Galleria, alongside poetry and photography created during the workshop.

Other notable achievements in 2022 included:

- a switch to the Argus collection database which should improve visitor access to the gallery's permanent collection
- the purchase of important artworks for the permanent collection by Michèle Pearson Clark and Jamilah Malika Abu-Bakare
- the development of a new strategic plan from the largest community consultation in Two Rivers Gallery history
- the resumption of Creative Space Sundays and a reconfigured Wildside to include a mural by Madeline Kloepper
- the completion of a physical accessibility audit at the gallery working with a cohort of seven individuals living with disabilities to help guide future improvements to the space

## 2023 Plans

At the beginning of 2023 Minahil Bukhari and Mustaali Raj offered a final artist's talk for *Hope*. This was the first activity in the restored south gallery, five months after the fire that caused its closure. The artists also met with art and design students from CNC.

Quebec City artist Jose Luis Torres then installed a sculptural installation that looked at themes of immigration and displacement that had been rescheduled because of the fire. The exhibition included many household materials collected from thrift stores including mirrors, tables chairs lamps and glassware. At the conclusion of the exhibition, these materials were donated to people whose lives had been touched by Immigration and displacement, including displaced Ukrainian families.

Catherine Blackburn's *New Age Warriors with Recent Work* followed in April with an artist's talk, and a series of related events are planned. Alongside this exhibition is Erin Stagg's *Otipemisewak* that tells the Métis history of Stagg's family through a biographical lens. This exhibition is comprised of a series of paintings that will be the Regional District travelling exhibition this summer. The regional outreach program *Imagination on the Move* will see Two Rivers Gallery staff attend schools throughout the region to develop a program that celebrates the unique character of each student participant. Each participant will complete a character portrait in the form of a plant that will be installed as elements in a community garden and in a Galleria project at Community Art Days. A series of summer camps for children will also be offered.

*Unreturnable* is a group exhibition scheduled for July alongside Jude Griebel's *Dismantled Worlds*. Both exhibits draw attention to aspects of consumerism, plastic use and the strain this places on the planet and its ecosphere. An exhibition from the gallery's permanent collection titled *Resistance* will open in October and close the year out.

Two Rivers Gallery continues to offer a wide range of programs for all ages, including creativity camps, workshops and artist talks. The Good Trouble Youth Art Collective, explores social values and change through art, while Beads & Bannock explores traditional Indigenous craft such as beading and tufting, through social gathering. Funding has also been secured to update the Two Rivers Gallery website to make it more robust and accessible.



# CENTRAL BC RAILWAY & FORESTRY MUSEUM

## 2022 Highlights

The Central BC Railway and Forestry Museum had some major accomplishments in 2022 despite the post-COVID challenges of rising material costs and staffing shortages.

The inventory of archival collection items is an ongoing project. To date, 864 items have been processed with 74 items processed in 2022. A separate document inventory project is also underway to categorize, reconnect, and record a large variety of archival items and in 2022 504 legal sized and smaller archives having to do with railways were processed, as well as 50 oversized blueprints, schematics, and maps.

Donations in 2022 included telegraph training equipment, a vintage Jordan Spreader manual, Prince George Spruce Dollars, past founding member Stan Smith's photograph collection, a collection from the Prince George Fire Centre including archives and artifacts on wildfire prevention, railway prints, archives on the Eagle Lake Sawmill, BCR and UTU documents, Prince George collectors coins, lumber stamps and a scaling stick, a collection of BCFS documents from Forest Ranger Del Blackstock, and a large collection of model trains. All accepted donations have recorded histories linked to specific individuals. Museum staff worked on accessioning 324 items in 2022 and the total collection has 2,330 items. Some smaller artifacts were also transferred including trainmen's uniforms to the Fort Edmonton Park, hose carts and chemical carts to Beverly Fire Rescue and telephones to the Lardeau Valley Historical Society.

Summer students did extra maintenance and cleaned the interiors of 22 heritage train cars and buildings to better preserve the spaces. The floating truss structures on the CN 76002 Caboose and the Nechako Coach were successful in 2021, and this method was also applied to the Takla Coach in 2022 and it is once again open to the public. Unfortunately, the BCR Auxiliary Car was closed due to a rotted hole opening up in the diner section until repairs could be made. The Endeavor Car also has floor damage and it tested positive for hazardous materials and is permanently closed until the car can be removed.



The Central BC Railway and Forestry Museum celebrates the two industries that built the region. The museum occupies more than three hectares on River Road in Prince George and features over 70 train cars, a steam engine and other rolling stock. The museum has nine historical buildings including the original train station from Penny which was relocated to the site. The archives, gift shop, main gallery and offices are located in the replica train station building. Events like the Celebration of Lights and Friends of Thomas Day make the museum a hive of activity for young and old.

The museum is open all year and in 2022 had six full time staff, three part time staff and eight summer students.

The Curatorial Department interacted with the public through two temporary exhibits and by creating an additional permanent exhibit. *Soil to Silk* featuring the textile works of Maggee Spicer ran from spring until mid-summer, and then *Penny: Found Memories* ran until the late fall. Both exhibits had formal openings and were featured in local media. Additionally, information gathered in the student-led exhibit on the Penny community will be used to create a permanent exhibit in the future. The opening of the museum’s first new permanent exhibit in several years took place in 2022. The new Cora Bell Donald Building exhibit explains the progression of local telecommunications, as well as the deep-seated connections between its advancement and industry use.

There were opportunities for knowledge sharing and the curator spoke about the museum at the Fraser Valley Heritage Railway Video Conference, and then with JV Film Co for Telus Story Hive and with Peter Hays for Landmark TV.

Research requests were steady throughout 2022 with straightforward questions and there were nine research requests involving more in-depth research materials and the transfer of documentation to historians, sociologists, archives and writers. Two recorded oral histories were also added to the archive, and the museum began a partnership with the local Post Office Heritage Club.

	<b>2022</b>	<b>2021</b>	<b>Change</b>
Visitors	15,191	12,778	+18.9%
Memberships	53	29	+82.8%
Volunteers	107	64	+67.2%
Volunteer hours	3,575	3,140	+13.9%
Admission revenue <sup>1</sup>	\$44,373	\$28,439	+56.0%
Fundraising revenue <sup>2</sup>	\$55,974	\$25,382	+120.5%
Gift shop & food sales	\$32,758	\$13,842	+136.7%
RDFFG grant	\$205,000	\$205,000	-
Other grants	\$32,152	\$107,329	-70.0%
Total operating budget	\$606,994	\$423,226	+43.3%

<sup>1</sup> Includes mini-rail

<sup>2</sup> Includes special events & cash donations



With the addition of a new staff member, many significant building projects and improvements were accomplished around the park and grounds including the Main Building and Gallery, the Cora Bell building, the Russel House, Penny Station, the Maintenance Building and the Display Building.

2022's late spring resulted in no haskap berries or pears in the Urban Orchard but other crops like tomatoes and pumpkins did very well. Frequent mowing and a longer growing season resulted in multiple equipment breakdowns. The Cottonwood minitrain is a visitor favourite and it operated on weekends during the shoulder season, and daily in the summer. The Cottonwood Express outreach train made trips to Fraser Lake, Stelat'en Nation, Granisle, Kids Art Dayz and Burns Lake.

The rolling stock and locomotives required maintenance including eight new batteries and the replacement of the charger on 6001. The park track will receive greater attention in 2023 but new ties were installed on Foxes Hollow siding and the full siding was re-ballasted. Most switches were also removed and adjusted to ensure continued smooth operations.

Programming was revised to better align with current school curriculum and resulted in tours to more than 17 schools, 11 daycare and afterschool care programs for more than 920 students and adults. There were also 22 cheese-making and art workshops for nearly 140 participants. There were 23 facility rentals, nine birthday parties, several photography shoots, Buddy Check Coffees for Veterans and First Responders and space was provided for Group HUGS for Ukrainian newcomers.

There were several events in 2022, including the new ticketed Mother's Day Brunch and the Father's Day Beer and Steer, and Penny Days, the Pumpkin Express, holiday photos with Purple Moose Photography. The annual Celebration of Lights was also held but temperatures dropped to -50 C and it was necessary to close the museum so the usual year end boost in funding provided by this event was not possible.



## 2023 Plans

2023 started with the clean up from Celebration of Lights, painting the inside of the School House, the exhibit Abandoned with an opening and speech from the artists in partnership with the PG Photographic Society. There were also several school tours, facility bookings and outreach with the Cottonwood Express at Winterfest and the Colour Walk.

Events planned include Mother's Day, Father's Day Beer and Steer, a 40th Anniversary dinner, Penny Days, an expanded Halloween event and Nutcracker-themed Celebration of Lights, along with cheese-making workshops held from the spring until late fall. The museum will also host the municipal Heritage Fair and the provincial Heritage Fair Showcase. There are also requests to travel with the Cottonwood Express to new locations, including to Culture Days, the East Line Market, Community Art Days, Huble Homestead for their Kids' Carnival, Summerfest, as well as long-standing events such as the Children's festival in Burns Lake.

The museum also applied for a curatorial intern through Young Canada Works to work with the curator to assess the rolling stock and complete two different markers to conduct condition reporting on these pieces. This will be helpful to triage artifacts and apply for grants. The plan is to also clean and assess the outside of Penny Station, identify what restoration projects are needed for the building's longevity. Additionally, there are ten students funded through Canada Summer Jobs to assist with events and programming, horticulture and curatorial projects. This summer the museum will hold its annual student-led exhibit on the history of fire-fighting, and with a previous donation from the Forest Fire Service, the Smokey the Bear mascot will be on site, along with local innovations for forest fire mitigation.

Weather and staff permitting, the museum also plans to focus on external cleaning and maintenance of the Penny Station, assess any damage.



# HUBLE HOMESTEAD HISTORIC SITE

## 2022 Highlights

2022 was a busy and productive year at Huble Homestead. The cultural site returned to its usual public event schedule, with the exception of its two biggest events, and also held five self-led activity days. Attendance was up from 2021 but it will not reach pre-pandemic levels until all events return to the schedule.

Huble Homestead undertook several major projects at the historic site, focusing on accessibility, power supply and maintenance. New solar panels were installed on the General Store to provide increased power for site operations. Thanks to the assistance of the Regional District's Art, Culture and Heritage Emergency Grant, they had a qualified tradesperson repair the many cedar shake roofs on site, including the historic Huble house. Surplus funding from the Government of Canada's Enabling Accessibility Fund allowed great strides to be made on accessibility features at the park, including the purchase of an FM hearing system, the creation of a virtual tour, installation of glare-free artifact signage and the re-gravelling of the road from the upper parking lot across the historic site. A professional heritage restoration company was also contracted in May to evaluate the Huble house and the results show that the house is in fair condition, but rot needs to be removed in several areas of the structure, and that traditional preservation techniques, like natural chinking and limewash, should be adopted to better preserve the historic house.

In addition, Huble Homestead also undertook several other smaller projects, including the repair of the chicken and rabbit run and barbeque area floor, and with the assistance of the Regional District's Community Endowment Fund (Area G), the fire suppression building was repaired and a new fire supply storage shed was constructed on the riverbank.



Huble Homestead Historic Site is located in Giscome Portage Regional Park and it is operated by the Huble Homestead/Giscome Portage Heritage Society. The Society’s mission is to establish a network of people committed to preserving and developing the history of the Huble Homestead, Giscome Portage, and the surrounding area. There have been many successes over the years including restoring the Huble House, salvaging and reconstructing the Salmon Valley Post Office, attaining Heritage Trail designation for the Giscome Portage, creating a replica First Nations Fish Camp in partnership with the Lheidli T’enneh Nation, installing a headstone for Edward Seebach’s grave, and publishing three historical children’s books.

Huble Homestead is open daily from Victoria Day to Labour Day annually and offers guided tours, school and day care programs and a number of special events. During 2021 there were four full time employees and four summer students.

## 2023 Plans

2023 will feature the return to Huble Homestead’s full event schedule, including the large-scale Kids' Carnival and the Halloween Spooktacular events. Monthly self-led activity days will remain on the schedule as low-cost draws for groups wishing for a relaxing visit that features a little something extra.

Projects for the coming season will be focused on site maintenance, including the rebuilding of several entry ramps and the restoration or possible reconstruction of the back shed with the goal of using it as lockable storage space for equipment and supplies.

The recruitment, training, and mentoring of a curatorial and operations assistant with the goal of retaining them in a full time position is a high priority for 2023. This position will assist with laying the groundwork for two future curatorial projects, including a revitalization of the Lheidli T’enneh Fish Camp and a digital experience centered around The Huble Diaries.

Work will also continue on disaster planning, including finalizing the wildfire protection system that has been devised for the Huble house.

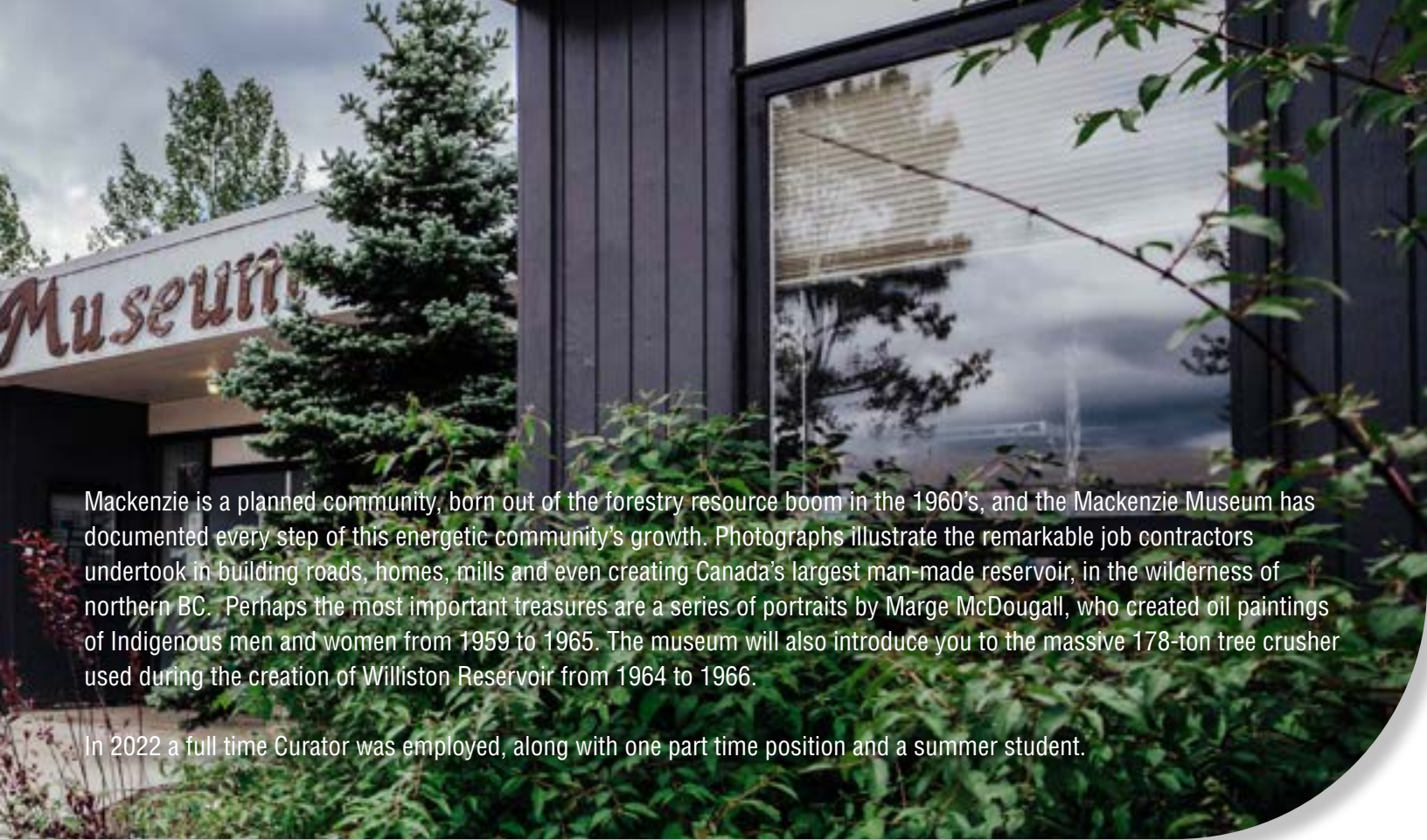
	<b>2022</b>	<b>2021</b>	<b>Change</b>
Visitors	5,709	5,076	+12.5%
Memberships	38	45	-15.6%
Volunteers	35	37	-5.4%
Volunteer hours	378	313	+20.8%
Admission revenue	\$12,550	\$11,827	+6.1%
Fundraising revenue <sup>1</sup>	\$886	\$536	+65.3%
General Store revenue	\$29,252	\$26,533	+10.2%
RDFFG grant	\$205,000	\$205,000	-
Other grants	\$187,625	\$113,705 <sup>2</sup>	+65.0%
Total operating budget	\$414,784	\$379,652 <sup>2</sup>	+9.3%

<sup>1</sup> Includes off-season special events  
<sup>2</sup> Revised audited amounts submitted



# MACKENZIE & DISTRICT MUSEUM





Mackenzie is a planned community, born out of the forestry resource boom in the 1960's, and the Mackenzie Museum has documented every step of this energetic community's growth. Photographs illustrate the remarkable job contractors undertook in building roads, homes, mills and even creating Canada's largest man-made reservoir, in the wilderness of northern BC. Perhaps the most important treasures are a series of portraits by Marge McDougall, who created oil paintings of Indigenous men and women from 1959 to 1965. The museum will also introduce you to the massive 178-ton tree crusher used during the creation of Williston Reservoir from 1964 to 1966.

In 2022 a full time Curator was employed, along with one part time position and a summer student.

## 2022 Highlights & 2023 Plans

A main focus for the Mackenzie & District Museum in 2022 was completing the digitization of the *Mackenzie Times*. The project was started in 2020 and with 40 years of newspapers in storage, over 44,000 pages are now saved digitally.

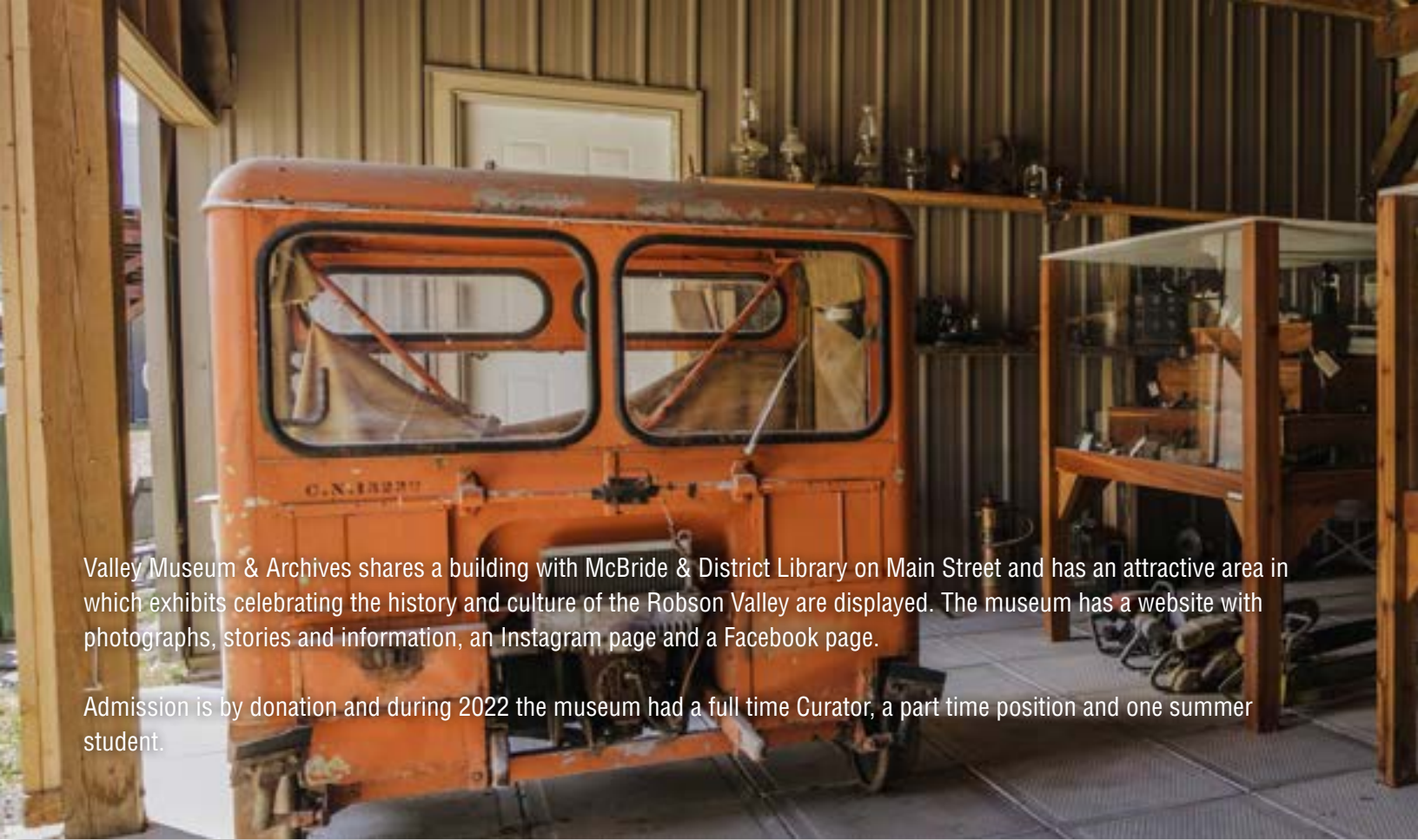
The addition of the part time assistant curator position was beneficial for the museum's day-to-day operations, but the incumbent resigned midway through the year to in order to find full time employment.

The museum was also presented with another challenge in July 2022 when the District of Mackenzie announced that the Ernie Bodin Centre is being decommissioned and the museum's lease will end in August 2024. The museum was awarded a Regional District Art, Culture and Heritage Emergency Grant to engage consultants to explore relocation, and to identify and evaluate the options available within the community of Mackenzie.

The primary focus for the Mackenzie & District Museum and its Board of Directors in 2023 is to pursue a new location for the facility.

	2022	2021	Change
Visitors	466	355	+31.3%
Memberships	22	26	-15.4%
Volunteers	10	11	+9.1%
Volunteer hours	194	267	+27.3%
Admission revenue <sup>1</sup>	\$758	\$750	+1.1%
Fundraising revenue	\$1,910	\$3,500	+45.4
Gift Shop sales	\$627	\$898	-30.2%
RDFFG grant	\$39,000	\$39,000	-
Other grants	\$22,748	\$17,477	-30.2%
Total operating budget	\$71,995	\$61,647	+16.8%

<sup>1</sup> Admission is by donation



Valley Museum & Archives shares a building with McBride & District Library on Main Street and has an attractive area in which exhibits celebrating the history and culture of the Robson Valley are displayed. The museum has a website with photographs, stories and information, an Instagram page and a Facebook page.

Admission is by donation and during 2022 the museum had a full time Curator, a part time position and one summer student.





# VALLEY MUSEUM & ARCHIVES

## 2022 Highlights & 2023 Plans

In 2022, the Valley Museum and Archives used a McBride Community Endowment Grant to add an Indigenous component to the outdoor space and a canoe image. A new website and a tablet version of an accessible archive database were also made possible by a Canadian Heritage Grant. The museum also hosted a number of events and programs including:

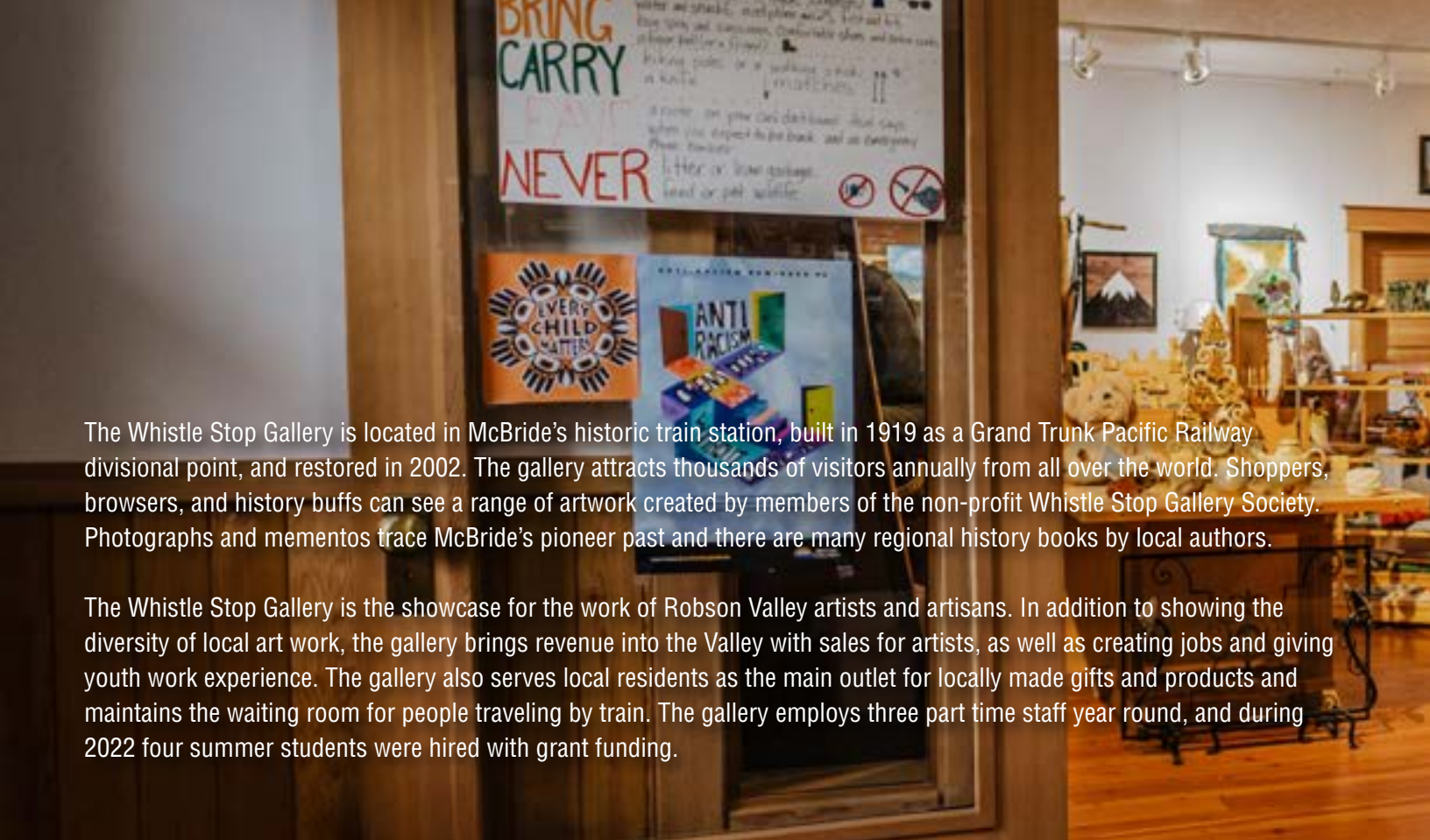
- *Perception and Discovery*, an exhibition by local McBride photographer Matthew Wheeler
- *Quilter's Guild of McBride*, a shorter, two week show that was very well-attended
- *Stories from Highway 16*, the history of building the highway was accompanied by Glen Frear's vintage truck paintings and a speakers' session for 40 attendees featuring UNBC Professor Ben Bradley and former resident, author Lloyd Jeck
- *Immigration*, Two Rivers Gallery's traveling outreach exhibition which was accompanied by local immigration stories
- *Everything Music*, with three different musical performances and a vocal workshop

Plans for 2023 include:

- *Fossils and Formations*, a geography exhibit with speakers' sessions running from May to September
- Two Rivers Gallery's traveling outreach exhibition in September and October
- A local sculptor exhibit in November and December
- *Creative EngAGING Fall Art Workshops* for seniors, sponsored by a New Horizons for Seniors Grant, followed by an art show examining aging issues in Spring 2024

	2022	2021	Change
Visitors <sup>1</sup>	2,776	1,600	+73.5%
Memberships	30	29	+3.4%
Volunteers	20	10	+100%
Volunteer hours	600	200	+200%
RDFFG grant	\$39,000	\$39,000	-
Total operating budget	\$75,368	\$75,879	-0.7%

<sup>1</sup> Attendance estimated with laser-counter



The Whistle Stop Gallery is located in McBride's historic train station, built in 1919 as a Grand Trunk Pacific Railway divisional point, and restored in 2002. The gallery attracts thousands of visitors annually from all over the world. Shoppers, browsers, and history buffs can see a range of artwork created by members of the non-profit Whistle Stop Gallery Society. Photographs and mementos trace McBride's pioneer past and there are many regional history books by local authors.

The Whistle Stop Gallery is the showcase for the work of Robson Valley artists and artisans. In addition to showing the diversity of local art work, the gallery brings revenue into the Valley with sales for artists, as well as creating jobs and giving youth work experience. The gallery also serves local residents as the main outlet for locally made gifts and products and maintains the waiting room for people traveling by train. The gallery employs three part time staff year round, and during 2022 four summer students were hired with grant funding.

## 2022 Highlights

2022 was a fun and exciting year for the Whistle Stop Gallery after enduring the COVID isolation and restrictions. The gallery welcomed increased traffic from local residents and visitors from all over, including Europe, Australia and across Canada. There were some visitors from the US, but not as many as in previous years and regional visitation remained strong. Sales of local arts and crafts were just over \$62,000 making 2022 the gallery's highest sales year since 2008.

The gallery participated in the Canada Day, Pioneer Days and Harvest Festival events, hosted art workshops, strengthened partnerships with the McBride Library and the Valley Museum and Archives, and welcomed new artists into the gallery.

Highlights include:

- helping the library host the Summer Fun Program
- collaborating with the museum to bring author Lloyd Jeck to speak at their *Stories from Highway 16* event
- hosting weekly *Tuesday Night Jam Sessions* on the train station platform, weather permitting, which drew music loving visitors to the downtown

The train station has a new roof, which looks great and does not leak. The Village of McBride is also moving forward with the gallery's proposal to turn the parking lot facing the town into a seating area, and upgrading the washrooms and replacing the linoleum in the waiting room. The Village of McBride has applied for funding for these projects and they have used the gallery's proposal and design in the application.

Denise Lamming retired in September after 12 years as the gallery's assistant manger and Visitor Centre lead. Her position has been temporarily filled with summer students taking a gap year. While there are challenges with continuity, there are also benefits from the students' of new ideas and energy. The summer student training program has also been expanded to include visits to the Valley Museum and Archives, Dunster Historic Train Station, Valemount Museum and Mount Robson



# WHISTLE STOP GALLERY

History Exhibit to increase their knowledge of the cultural offerings in the area and promote collaboration. The gallery also continued to add content to their website and social media platforms, and traffic remains strong and engagement is steady.

One concern for the Whistle Stop Gallery in their 2022 financial reporting is the \$5.40 increase in minimum wage over the past ten years. In order to remain an employer of choice, the gallery has always paid slightly above minimum wage. This, along with higher employment costs and benefits, has approximately doubled the gallery’s wage expenses to maintain the same level of service. Reserves have been used to balance the books, but those reserves are almost depleted.

	<b>2022</b>	<b>2021</b>	<b>Change</b>
Visitors <sup>1</sup>	12,052	9,002	+33.9%
Volunteers	4	3	+33.3%
Volunteer hours	640	214	+199%
Gift Shop sales	\$62,829	\$52,532	+19.6%
RDFFG grant	\$44,000	\$44,000	-
Other grants	\$25,457	\$36,480	-30.2%
Total operating budget	\$179,330	\$169,891	+5.6%

<sup>1</sup> Attendance is estimated



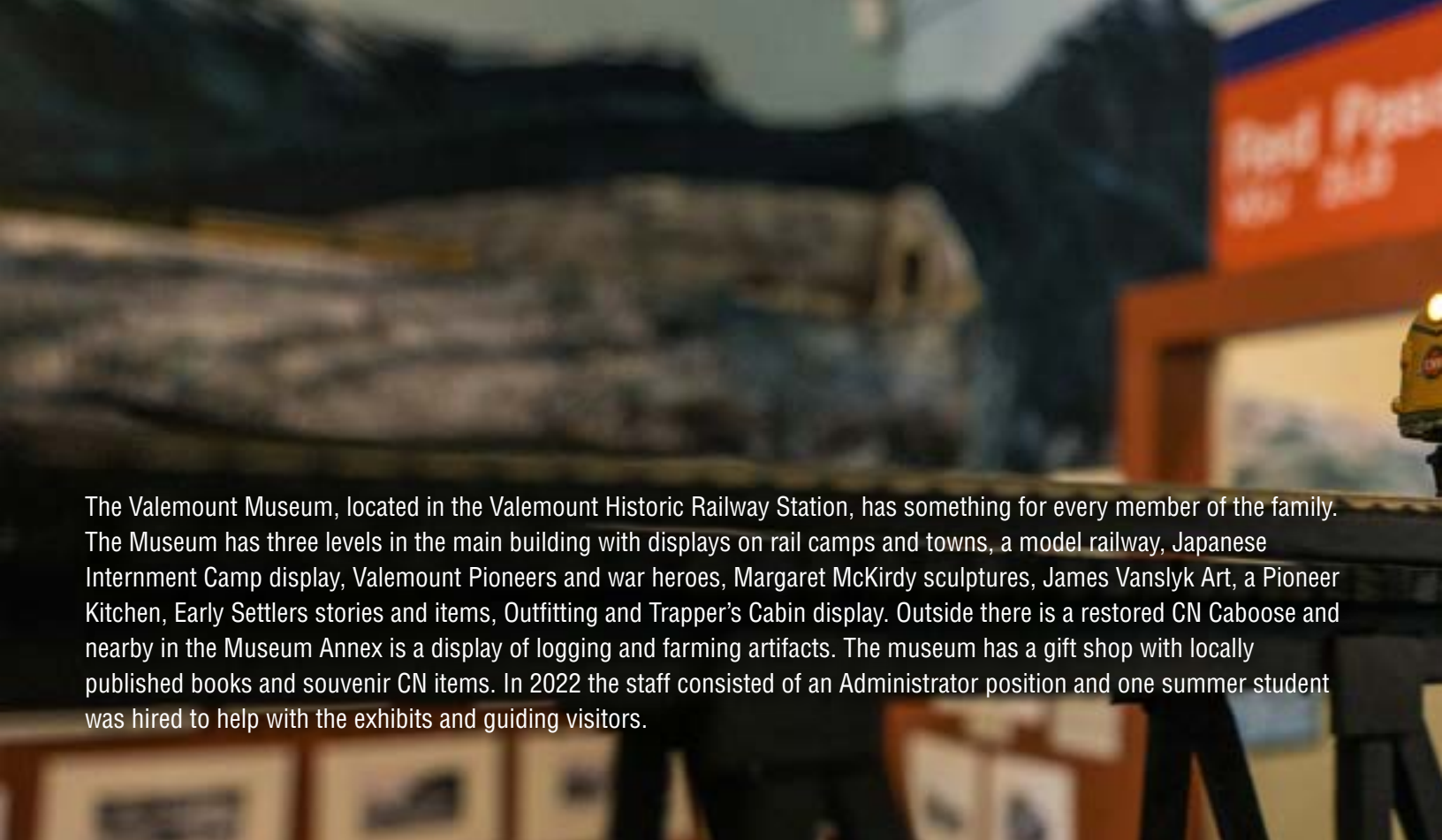
## 2023 Plans

Preliminary plans for the Whistle Stop Gallery in 2023 include updating the strategic plan, building organizational resiliency with succession planning and capacity building, and increasing community participation with at least one new public art project. The gallery is also planning new artist workshops and exhibitions, staffing and space permitting.

Outreach and collaboration with other community organizations is beneficial to all involved and the gallery is starting to map out opportunities for 2023. One area of focus is to work on outreach to local Indigenous artists with respect and consideration for their culture and history in the area.

The gallery has applied to Heritage Canada for Canada Day funds, to the Canada Summer Jobs program for four summer students and is working on a New Horizons for Seniors grant application, as well as continuing to look for other funding opportunities. They will also continue to recruit, foster and encourage new artists and welcome the thousands of visitors to the Robson Valley and the gallery with warmth and creativity.





The Valemount Museum, located in the Valemount Historic Railway Station, has something for every member of the family. The Museum has three levels in the main building with displays on rail camps and towns, a model railway, Japanese Internment Camp display, Valemount Pioneers and war heroes, Margaret McKirdy sculptures, James Vanslyk Art, a Pioneer Kitchen, Early Settlers stories and items, Outfitting and Trapper's Cabin display. Outside there is a restored CN Caboose and nearby in the Museum Annex is a display of logging and farming artifacts. The museum has a gift shop with locally published books and souvenir CN items. In 2022 the staff consisted of an Administrator position and one summer student was hired to help with the exhibits and guiding visitors.





# VALEMOUNT MUSEUM & ARCHIVES

## 2022 Highlights & 2023 Plans

The museum dealt with a significant staffing and administration issue in early 2022 which impacted business operations and plans for the rest of the year. A new administrator was hired and was in place for the summer but no major events, including the regular Canada Day Celebrations, were held.

In 2023, the museum entered into a new partnership and the Village of Valemount took over the day to day running of the museum and the Historic Society will focus on the archival work and developing new displays.

	<b>2022</b>	<b>2021</b>	<b>Change</b>
Visitors	1,330	719	+85.0%
Memberships	1	-	+
Volunteers	-	1	-
Volunteer hours	-	5	-
Admission revenue	\$3,756	\$2,110	+78.0
Fundraising revenue	-	\$4,215	-
Gift shop sales	\$2,916	\$2,362	+23.5%
RDFFG grant	\$43,000	\$43,000	-
Other grants	-	-	-
Total operating budget	\$50,339	\$43,393	+16.0%





# APPENDIX: CULTURAL SITES' FINANCIAL STATEMENTS

**FRASER-FORT GEORGE MUSEUM SOCIETY  
(THE EXPLORATION PLACE)  
FINANCIAL STATEMENTS  
For the year ended December 31, 2022**

**CONTENTS**

	<b><u>PAGE</u></b>
<b>INDEPENDENT AUDITOR'S REPORT</b>	<b>1 - 3</b>
<b>STATEMENT OF OPERATIONS</b>	<b>4</b>
<b>STATEMENT OF CHANGES IN NET ASSETS</b>	<b>5</b>
<b>STATEMENT OF FINANCIAL POSITION</b>	<b>6</b>
<b>STATEMENT OF CASH FLOWS</b>	<b>7</b>
<b>NOTES TO THE FINANCIAL STATEMENTS</b>	<b>8 - 17</b>
<b>SCHEDULE OF EXPENDITURES</b>	<b>18</b>

**FRASER-FORT GEORGE MUSEUM  
SOCIETY**

**(The Exploration Place)**

**FINANCIAL STATEMENTS**

**For the year ended December 31, 2022**

## INDEPENDENT AUDITOR'S REPORT

To the Trustees of

Fraser-Fort George Museum Society

### Qualified Opinion

We have audited the financial statements of Fraser-Fort George Museum Society (The Exploration Place), which comprise the statement of financial position as at December 31, 2022, and the statements of operations, changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of the Society as at December 31, 2022, and its results of operations and its cash flows for the year then ended in accordance with ASNPO.

### Basis for Qualified Opinion

In common with many not-for-profit organizations, the Society derives revenue from fundraising activities the completeness of which is not susceptible to satisfactory audit verification. Accordingly, verification of these revenues was limited to the amounts recorded in the records of the Society. Therefore, we were not able to determine whether any adjustments might be necessary to fundraising revenue, excess of revenues over expenses, and cash flows from operations for the years ended December 31, 2022 and 2021, current assets as at December 31, 2022 and 2021, and net assets as of January 1 and December 31 for both the 2022 and 2021 years. Our audit opinion on the financial statements for the year ended December 31, 2022 was modified accordingly because of the possible effects of this limitation in scope.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under these 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 qualified opinion.

### Other Matter

The financial statements for the year ended December 31, 2021 were audited by another auditor who expressed a qualified opinion on those financial statements on May 4, 2022 for the reasons described in the Basis for Qualified Opinion section.

### Material Uncertainty Related to Going Concern

We draw attention to Note 2 in the Fraser-Fort George Museum Society's financial statements, which indicates that the Society incurred a net deficit of \$71,008 during the year ended December 31, 2022 and, as of that date, the Society's current liabilities exceeded its total assets by \$444,083. As stated in Note 2, these events or conditions, along with other matters as set forth in Note 2, indicate that a material uncertainty exists that may cast significant doubt on the Society's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

*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 ASNPO, and for such internal control as management determines is necessary to

## INDEPENDENT AUDITOR'S REPORT, continued

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.

**FRASER-FORT GEORGE MUSEUM SOCIETY**  
 (THE EXPLORATION PLACE)  
 STATEMENT OF OPERATIONS  
 For the year ended December 31, 2022

	2022	2021
<b>REVENUES</b>		
Federal grants	\$ 888,585	\$ 115,884
RDFFG operating grant	800,000	791,208
Municipal grants	170,756	145,883
Provincial grants	188,800	458,910
Other grants	132,888	45,375
Fees for service	123,331	43,840
Gaming	98,750	92,250
Commercial kitchen	81,210	3,525
Admissions	80,343	(5,880)
Gift shop sales	78,820	57,738
Memberships	37,428	561
Donations	67,250	11,111
Sponsorships	8,125	2,133
Miscellaneous	5,808	8,488
Program fees	3,355	1,838
Interest income	1,448	1,087
Amortization of deferred capital contributions	89,425	14,540
Less: deferred capital contributions	2,841,905	1,784,367
	<u>329,288</u>	<u>189,983</u>
	2,512,807	1,814,374
	<u>2,809,893</u>	<u>1,836,517</u>
<b>EXPENDITURES, Schedule 1</b>		
	(287,258)	(222,143)
<b>DEFICIENCY OF REVENUES OVER EXPENDITURES FROM OPERATIONS</b>		
	228,247	7,000
<b>OTHER INCOME</b>		
Gain on sale of tangible capital assets	-	576,088
Canadian federal wages and rent subsidies	228,247	583,088
	<u>(71,008)</u>	<u>\$ 300,925</u>

(DEFICIENCY) EXCESS OF REVENUES OVER EXPENDITURES

**INDEPENDENT AUDITOR'S REPORT, continued**

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 Societies Act (British Columbia), we report that, in our opinion, the accounting policies applied in preparing and presenting financial statements in accordance with Canadian accounting standards for not-for-profit organizations, have been applied on a basis consistent with that of the preceding period.

FBB CHARACTERED  
 PROFESSIONAL  
 ACCOUNTANTS LLP

Prince George, BC  
 March 25, 2023

See accompanying notes

**FRASER-FORT GEORGE MUSEUM SOCIETY**  
 (THE EXPLORATION PLACE)  
 STATEMENT OF FINANCIAL POSITION  
 As at December 31, 2022

	2022	2021
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash	56,188	\$ 487,978
Accounts receivable (note 4)	124,722	298,070
Inventory (note 5)	128,054	41,207
Prepaid expenses	882	97,280
Restricted cash (note 6)	11,232	40,005
GST receivable	318,880	14,988
	1,805,328	880,518
	1	604,858
	<u>\$ 2,124,213</u>	<u>\$ 1,585,173</u>
<b>TANGIBLE CAPITAL ASSETS (note 7)</b>		
ARTIFACTS (note 8)	1	1
	<u>\$ 2,124,213</u>	<u>\$ 1,585,173</u>

**LIABILITIES**

<b>CURRENT LIABILITIES</b>		
Bank indebtedness (note 9)	189,704	\$ -
Accounts payable and accrued liabilities (note 10)	352,888	298,808
Deferred contributions (note 11)	51,202	88,810
Line of credit (note 12)	170,000	-
	763,794	387,618
<b>CANADA EMERGENCY BUSINESS ACCOUNT (note 13)</b>		
DEFERRED CAPITAL CONTRIBUTIONS (note 14)	80,000	80,000
	428,437	188,565
	1,252,231	642,181
	871,882	842,882
	<u>\$ 2,124,213</u>	<u>\$ 1,585,173</u>

On behalf of the Trustees

\_\_\_\_\_  
 Trustee

See accompanying notes

**FRASER-FORT GEORGE MUSEUM SOCIETY**  
 (THE EXPLORATION PLACE)  
 STATEMENT OF CHANGES IN NET ASSETS  
 For the year ended December 31, 2022

	Internally restricted	Unrestricted	Invested in tangible capital assets	Total 2022
<b>NET ASSETS, BEGINNING OF YEAR</b>	\$ 350,000	\$ 188,900	\$ 408,081	\$ 842,881
(Deficiency) excess of revenues over expenditures	-	102,824	(173,833)	(71,009)
Deferred capital contributions	-	328,288	(328,288)	-
Investment in tangible capital assets	-	(1,473,828)	1,473,828	-
Intrafund transfer	(350,000)	350,000	-	-
<b>NET ASSETS, END OF YEAR</b>	\$ -	\$ (504,808)	\$ 1,378,888	\$ 871,882

See accompanying notes

**FRASER-FORT GEORGE MUSEUM SOCIETY**  
**(THE EXPLORATION PLACE)**  
**STATEMENT OF CASH FLOWS**  
For the year ended December 31, 2022

**OPERATING ACTIVITIES**

(Deficiency) excess of revenues over expenditures  
Items not affecting cash

Amortization  
Amortization of deferred capital contributions  
Gain on sale of tangible capital assets

**Change in non-cash working capital items**

Accounts receivable  
Inventory  
Prepaid expenses  
GST receivable  
Accounts payable and accrued liabilities  
Deferred contributions

**INVESTING ACTIVITIES**

Purchase of tangible capital assets  
Proceeds on disposal of tangible capital assets

**FINANCING ACTIVITIES**

Proceeds of Canada emergency business account  
Deferred capital contributions

**DECREASE IN CASH**

**CASH, BEGINNING OF YEAR**

**(BANK OVERTEENESS) CASH, END OF YEAR**

**(BANK OVERTEENESS) CASH CONSISTS OF:**

Cash  
Restricted cash  
Bank indebtedness  
Line of credit

**FRASER-FORT GEORGE MUSEUM SOCIETY**  
**(THE EXPLORATION PLACE)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the year ended December 31, 2022

**1. Nature of operations**

The Fraser-Fort George Museum Society is incorporated under the Societies Act (British Columbia) and operates under the registered trade name The Exploration Place ("The Exploration Place"). It is responsible for the operation of the Fraser-Fort George Regional Museum, situated in Prince George, British Columbia. The Exploration Place is a non-profit organization under Section 149(1)(3) of the Income Tax Act and is a registered charity.

**2. Going concern**

These financial statements have been prepared on a going concern basis which contemplates the realization of assets and the payment of liabilities in the ordinary course of business. Should the Society be unable to continue as a going concern, it may be unable to realize the carrying value of its assets and to meet its liabilities as they become due.

During the year ended December 31, 2022, the Society incurred a net deficit of \$71,000 and the Society's current liabilities exceeded its current assets in the amount of \$444,988. During the year, the Society continued with their large capital expansion of the building, new and revamped exhibit spaces and a new commercial kitchen. Due to the lengthy construction/upgrade period for these projects, the Society unfortunately was not able to generate operational revenues in 2022 until the completion of the projects and reopening of the facility in the fall of 2022.

Management has prepared a detailed cash flow plan and projection for the coming years and has determined the Society will continue to utilize its line of credit as needed for the year ending December 31, 2023. The Society has reached out to its bank and lenders to attempt to continue to receive line credit and advances on their operating funding to assist with cash flows over the coming years. Management was successful in obtaining an advance on operational funding from the Regional District of Fraser Fort George in 2023 to assist with operational cash flows. Management was also successful in obtaining a one-time Arts and Culture Sector Resilience Supplement from the BC Arts Council's Operating Assistance program in the amount of \$333,971, received in March 2023. Management believes this funding is sufficient to eliminate current line of credit and operating cash flow shortfalls and return the Society to positive cash flows going forward in 2023.

The accompanying financial statements do not include any adjustments relating to the recoverability of assets and to the reclassification of asset and liability amounts that might be necessary should the Society be unable to continue its operations.

	2022	2021
	\$ (71,000)	\$ 380,825
	273,258	82,596
	(89,425)	(14,540)
	-	(7,000)
	102,824	421,971
	242,894	(254,720)
	(83,515)	28,054
	(28,784)	(71,238)
	3,764	-
	58,080	180,340
	(25,818)	(20,505)
	257,605	283,904
	(1,473,928)	(524,380)
	-	7,000
	(1,473,928)	(517,380)
	-	20,000
	329,288	189,983
	329,288	189,983
	(898,985)	(43,483)
	527,983	571,499
	\$ (359,012)	\$ 527,983
	-	\$ 487,978
	682	40,005
	(189,704)	-
	(170,000)	-
	\$ (359,012)	\$ 527,983

See accompanying notes

**FRASER-FORT GEORGE MUSEUM SOCIETY**  
 (THE EXPLORATION PLACE)  
 NOTES TO THE FINANCIAL STATEMENTS  
 For the year ended December 31, 2022

**3. Accounting policies**

The Society applies the Canadian accounting standards for not-for-profit organizations.

(a) Revenue recognition

The Society follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Endowment contributions are recognized as direct increases in net assets.

Restricted investment income is recognized as revenue in the year in which the related expenses are incurred. Unrestricted investment income is recognized as revenue when earned.

Externally restricted contributions for the purchase of tangible capital assets that will be amortized are recorded as deferred capital contributions and recognized as revenue on the same basis as the amortization expense related to the acquired tangible capital assets. Externally restricted contributions for the purchase of tangible capital assets that will not be amortized are recognized as direct increases in net assets invested in tangible capital assets balances.

Investment revenue is recognized as revenue to the extent received or receivable.

Other revenues are recognized when received or receivable, if the amount can be reasonably determined and collection is reasonably assured. These revenues consist of memberships, admissions, commercial kitchen sales, gift-shop sales, sponsorships, program fees and other miscellaneous revenue.

(b) Inventory

Inventory is measured at the lower of cost and net realizable value. Cost is determined on a first-in, first-out basis. Cost includes all costs of purchase, direct labour, variable and fixed production overheads, and other costs incurred in bringing the inventories to their present location and condition. Inventory consists of gift shop items for resale.

A provision is recorded when the cost of inventories is not estimated to be recoverable due to obsolescence, damage or permanent declines in selling prices. When circumstances which previously caused inventories to be written down no longer exist, the previous impairment is reversed. Management reviews the provision annually to assess whether, based on economic conditions, it is adequate.

(c) Tangible capital assets

Tangible capital assets are recorded at cost when purchased or if donated, at estimated fair market value at the time of donation. The Society provides for amortization using the straight-line method of rates designed to amortize the cost of the tangible capital assets over their estimated useful lives. The annual amortization rates are as follows:

**FRASER-FORT GEORGE MUSEUM SOCIETY**  
 (THE EXPLORATION PLACE)  
 NOTES TO THE FINANCIAL STATEMENTS  
 For the year ended December 31, 2022

**3. Accounting policies, continued**

(e) Tangible capital assets, continued

Vehicles	7 years
Exhibits	7 years
Office equipment	5 years
Leasehold improvements	3 years
Computer equipment	3 years

The estimated useful lives of assets are reviewed by management and adjusted if necessary.

The Society regularly reviews its tangible capital assets to eliminate obsolete items. Upon retirement or disposition of tangible capital assets, the capitalized cost and related accumulated depreciation are removed from the balance sheet and any resulting gain or loss is recognized in the statement of operations.

Full amortization is recorded in the year of acquisition. Tangible capital assets under development or being constructed are not amortized until they are put into use. They are separated and recorded as work in progress.

(d) Artifacts

The artifacts of The Exploration Place are comprised of documents, pictures, books, 3D artifacts, and photography materials. The artifacts are shown as an asset at a nominal value of \$1 due to the practical difficulties of determining a meaningful value for the assets. Items purchased for the artifacts are recorded as an expense in the year of acquisition. Contributed artifacts items are not recorded in the books of accounts. All preservation costs are expensed in the period incurred. The artifacts are not amortized as these assets are rare and unique and have cultural and historical significance.

(e) Costituted services

Volunteers contribute their time to assist The Exploration Place in carrying out its service delivery activities. Due to the difficulty of determining their fair market value, contributed services are not recognized in the financial statements.

**FRASER-FORT GEORGE MUSEUM SOCIETY**  
 (THE EXPLORATION PLACE)  
 NOTES TO THE FINANCIAL STATEMENTS  
 For the year ended December 31, 2022

**3. Accounting policies, continued**

(f) Financial instruments

(i) Measurement of financial instruments

The Society initially measures its financial assets and financial liabilities at fair value adjusted by, in the case of a financial instrument that will not be measured subsequently at fair value, the amount of transaction costs directly attributable to the instrument.

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

Financial assets measured at amortized cost include cash, GST receivable and accounts receivable. Financial liabilities measured at amortized cost include bank indebtedness, accounts payable and accrued liabilities and line of credit.

(ii) Impairment

Financial assets measured at amortized cost are tested for impairment when there are indicators of possible impairment. When a significant adverse change has occurred during the period in the expected timing or amount of future cash flows from the financial asset or group of assets, a write-down is recognized in net income. The write down reflects the difference between the carrying amount and the higher of:

- the present value of the cash flows expected to be generated by the asset or group of assets;
- the amount that could be realized by selling the assets or group of assets;
- the net realizable value of any collateral held to secure repayment of the assets or group of assets.

When the events occurring after the impairment confirm that a reversal is necessary, the reversal is recognized in net income up to the amount of the previously recognized impairment.

(g) Use of estimates

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. By their nature, these estimates are subject to measurement uncertainty. The effect of changes in such estimates on the financial statements in future periods could be significant. Accounts specifically affected by estimates in these financial statements are the useful lives of tangible capital assets and provision for inventory obsolescence.

**FRASER-FORT GEORGE MUSEUM SOCIETY**  
 (THE EXPLORATION PLACE)  
 NOTES TO THE FINANCIAL STATEMENTS  
 For the year ended December 31, 2022

**4. Accounts receivable**

	2022	2021
Other	\$ 56,188	\$ 2,808
Canadian Emergency Rent Subsidy	-	5,405
Canadian Emergency Wage Subsidy	-	193,984
Northern Development Initiative Trust	-	136,883
	<u>\$ 56,188</u>	<u>\$ 298,070</u>

**5. Inventory**

	2022	2021
GST shop inventory	\$ 124,722	\$ 41,207

**6. Restricted cash**

	2022	2021
Gaming	\$ 410	\$ 204
Internally restricted reserve account	<u>282</u>	<u>38,801</u>
	<u>\$ 692</u>	<u>\$ 40,005</u>

The gaming funds are externally restricted and subject to conditions pertaining to the B.C. Gaming Commission grants received.

The internally restricted reserve account consists of funds restricted from general operations and are separately accounted for as they are spent.

**FRASER-FORT GEORGE MUSEUM SOCIETY**  
 (THE EXPLORATION PLACE)  
 NOTES TO THE FINANCIAL STATEMENTS  
 For the year ended December 31, 2022

**7. Tangible capital assets**

	2022		2021	
	Cost	Accumulated amortization	Net	Net
Vehicles	\$ 88,453	\$ 80,828	\$ 18,627	\$ 21,914
Exhibits	1,798,184	1,536,158	262,028	63,873
Office equipment	604,338	419,590	184,748	13,294
Leasehold improvements	1,970,868	884,808	1,285,882	32,179
Computer equipment	388,052	315,088	53,883	81,328
Work in progress	-	-	-	412,110
	<u>\$ 4,841,723</u>	<u>\$ 3,036,367</u>	<u>\$ 1,805,328</u>	<u>\$ 604,628</u>

**8. Artifacts**

The Exploration Place maintains an extensive collection of documents, pictures, textiles, 3D artifacts, and paleontology materials featuring life in the Regional District of Fraser-Fort George.

The Exploration Place acquires artifacts by purchase, gift and bequest.

**9. Bank indebtedness**

Bank indebtedness consists of cheques issued in excess of funds held on deposit as at December 31, 2022.

**10. Accounts payable and accrued liabilities**

	2022	2021
Trade payables and accrued liabilities	\$ 134,806	\$ 151,431
Payroll and withholding taxes	88,078	84,041
Vacation and bonded time	127,287	58,837
Sales taxes payable	2,710	2,827
	<u>\$ 352,881</u>	<u>\$ 296,836</u>

**FRASER-FORT GEORGE MUSEUM SOCIETY**  
 (THE EXPLORATION PLACE)  
 NOTES TO THE FINANCIAL STATEMENTS  
 For the year ended December 31, 2022

**11. Deferred contributions**

	2022	2021
Gift certificates	\$ 3,018	\$ 3,785
Government of Canada	-	48,381
The Discovery Centre	48,184	34,884
	<u>\$ 51,202</u>	<u>\$ 86,810</u>

Deferred contributions is comprised of funding received prior to expenditures being made in respect of the above projects or programs. The value of outstanding gift certificates is estimated based on those issued that are known to still be outstanding.

**12. Line of credit**

The Exploration Place has an operating line of credit, authorized to \$220,000, bearing interest at prime plus 2.4%, at December 31, 2022 the interest rate is 8.82% (2021 - 4.82%) and secured by a general security agreement. The amount outstanding at December 31, 2022 is \$170,000 (2021 - nil).

**13. Canada Emergency Business Account**

Canada Emergency Business Account (CEBA), unsecured, non-interest bearing with no specific terms of repayment maturing December 2023. If not repaid in full by maturity, the term is extended for three years bearing interest of 5%. If the Canada Emergency Business Account is paid on or before December 31, 2023, \$20,000 of the loan will be forgiven.

	2022	2021
	<u>\$ 60,000</u>	<u>\$ 60,000</u>

**14. Deferred capital contributions**

Contributions related to tangible capital assets are amortized into revenue over the same basis as the related tangible capital asset.

	Balance, beginning of year	Received	Amortized to revenue	Balance, end of year
Capital contributions	\$ 188,595	\$ 328,287	\$ (88,425)	\$ 428,437
	<u>\$ 188,595</u>	<u>\$ 328,287</u>	<u>\$ (88,425)</u>	<u>\$ 428,437</u>

**FRASER-FORT GEORGE MUSEUM SOCIETY**  
 (THE EXPLORATION PLACE)  
 NOTES TO THE FINANCIAL STATEMENTS  
 For the year ended December 31, 2022

**15. Net assets**

In 2020, the Exploration Place's Board of Directors internally restricted \$350,000 for the Living Evolution project. These amounts are not available for other purposes without approval from the Board of Directors.

	2022	2021
Unrestricted		
Internally restricted	\$ (504,908)	\$ 188,901
Net assets invested in tangible capital assets	1,378,888	408,091
	<u>\$ 871,980</u>	<u>\$ 642,982</u>

Net assets invested in tangible capital assets consist of the following:

	2022	2021
Balance, beginning of year	\$ 408,091	\$ 110,760
Acquisition of tangible capital assets	1,473,928	524,380
Amortization of tangible capital assets	(273,288)	(82,880)
Amortization of deferred capital contributions	98,425	14,540
Deferred capital contributions received	<u>(320,288)</u>	<u>(183,983)</u>
	<u>\$ 1,378,888</u>	<u>\$ 408,091</u>

**16. Commitments**

The Exploration Place is committed to rent the land and building it uses from the Regional District of Fraser-Fort George payable in annual payments of \$1 to August 2027. This amount is included in rental expense.

As at December 31, 2022, the fair value for this contributed service is not readily available, therefore the Society has elected to recognize these services at cost.

**17. Contingent liabilities**

The Exploration Place is contingently liable as a guarantor of credit cards with a maximum credit limit of \$52,500 (2021 - \$52,500). The amount outstanding at December 31, 2022 is \$28,987 (2021 - \$12,449) and is recorded in accounts payable and accrued liabilities.

Under the terms of the Canadian Emergency Wage Subsidy and Canadian Emergency Rent Subsidy there may be repayable amounts to the Federal government.

**FRASER-FORT GEORGE MUSEUM SOCIETY**  
 (THE EXPLORATION PLACE)  
 NOTES TO THE FINANCIAL STATEMENTS  
 For the year ended December 31, 2022

**18. Endowment fund beneficiary**

The Exploration Place is the income beneficiary of a permanent endowment in the amount of \$27,450 (2021 - \$29,385) at the Pirazee George Community Foundation for the purpose of funding arts and cultural activities. These funds are not included in the asset balances of The Exploration Place.

During 2022, contributions of \$nil (2021 - \$nil) were made to this endowment fund.

The investment return on these funds is provided to The Exploration Place annually. In 2022, The Exploration Place received \$4,883 (2021 - \$4,883) in investment income from this endowment fund.

**19. Financial Instruments**

Transactions in financial instruments may result in an entity assuming or transferring to another party one or more of the financial risks described below. The required disclosures provide information that assists users of financial statements in assessing the extent of risk related to financial instruments.

(a) Credit risk

The Society does have credit risk in accounts receivable of \$58,188 (2021 - \$280,070). Credit risk is the risk that one party to a transaction will fail to discharge an obligation and cause the other party to incur a financial loss. The Exploration Place provides credit on a selective basis and has carried out specific procedures to minimize the risk. The majority of the receivables are from government bodies. In the opinion of management the credit risk exposure to the Society is low and is not material.

(b) Liquidity risk

The Society does have a liquidity risk in the bank indebtedness and accounts payable and accrued liabilities of \$92,582 (2021 - \$288,806). Liquidity risk is the risk that the Society cannot repay its obligations when they become due to its creditors. The Society reduces its exposure to liquidity risk by ensuring that it documents when authorized payments become due; maintains an adequate line of credit to repay trade creditors and repays long term debt interest and principal as they become due. In the opinion of management the liquidity risk exposure to the Society is low and is not material.

(c) Interest rate risk

The Society is exposed to interest rate risk. Interest rate risk is the risk that the Society has interest rate exposure on its bank indebtedness, which are variable based on the bank's prime rates. This exposure may have an effect on its operations in future periods. The Society reduces its exposure to interest rate risk by regularly monitoring published bank prime interest rates. The Society does not use derivative instruments to reduce its exposure to interest rate risk. In the opinion of management the interest rate risk exposure to the Society is low and is not material.

**FRASER-FORT GEORGE MUSEUM SOCIETY**  
 (THE EXPLORATION PLACE)  
 NOTES TO THE FINANCIAL STATEMENTS  
 For the year ended December 31, 2022

Schedule 1

**FRASER-FORT GEORGE MUSEUM SOCIETY**  
 (THE EXPLORATION PLACE)  
 SCHEDULE OF EXPENDITURES  
 For the year ended December 31, 2022

	2022	2021
Advertising and promotion	\$ 94,542	\$ 10,882
Amortization	273,258	82,588
Automotive	2,884	554
Auxiliary	10,378	8,118
Computer expense	31,023	31,878
Contract service	142,418	108,707
Equipment lease	6,955	-
Housing for animals	25,538	5,788
Insurance	48,129	32,235
Interest and bank charges	19,522	11,808
Debt relief fund	88,040	84,123
Gift Shop merchandise, food and beverage purchases	80,388	44,159
Food and beverage - meetings	3,886	675
Memberships and subscriptions	12,491	8,385
Office	7,204	5,885
Postage and courier	3,234	808
Professional fees	28,267	25,208
Rent	53,883	32,732
Repairs and maintenance	12,455	6,518
Security	3,250	2,088
Shop supplies	28,280	9,454
Staff appreciation	6,885	530
Permits and licenses	16,201	7,489
Telephone and internet	19,288	19,583
Travel	11,351	951
Training and professional development	6,830	8,482
Utilities	149,441	88,988
Supplies	155,288	81,439
Wages and benefits	1,453,352	1,136,909
Veterinary and animal food	9,038	3,782
	<b>\$ 2,809,883</b>	<b>\$ 1,836,517</b>

**20. Economic dependence**

The operations of The Exploration Place are economically dependent on the continuing financial support of the Regional District of Fraser-Fort George. In 2022, The Exploration Place received 20% (2021 - 36%) of its revenue from the Regional District of Fraser-Fort George. The Regional District of Fraser-Fort George considers debt relief funding for the loan held for the land and building in which The Exploration Place is situated as part of the financial support provided. During the year, \$89,040 (2021 - \$94,123) was provided through a reduction in the annual grant funding actually received. This financial support is considered non-repayable and is recorded in the statement of operations.

**21. Remuneration of employees, contractors and directors**

The B.C. Societies Act requires the society to disclose the remuneration paid to employees and contractors whose remuneration during the year was at least \$75,000 and all remuneration paid to directors.

Included in wages and benefits, are two employees who received total remuneration in excess of \$75,000 (2021 - three employees).

No remuneration was paid to directors during the year ended December 31, 2022 (2021 - Nil).

**22. Related party transactions**

The Exploration Place paid in total \$91,032 (2021 - \$78,865) in wage expenses to direct family members of the management team.

The transaction is in the normal course of operations and is measured at the exchange amount, which is the amount of consideration established and agreed to by the related party.

**23. Comparative figures**

The financial statements have been reclassified, where applicable, to conform to the presentation used in the current year. The changes do not affect prior year earnings.

**PRINCE GEORGE REGIONAL ART GALLERY ASSOCIATION  
INDEX TO THE FINANCIAL STATEMENTS**

**December 31, 2022**

**PRINCE GEORGE REGIONAL  
ART GALLERY ASSOCIATION**

**Financial Statements**

**December 31, 2022**

Independent Auditor's report	Page
Financial statements	2-4
- Statement of financial position	5-8
- Statement operations	7
- Statement of changes in net assets	8
- Statement of cash flows	9
- Notes to the financial statements	10-19
- Schedule 1 – Education Programming	20
- Schedule 2 – Exhibition Programming	21
- Schedule 3 – Development	22
- Schedule 4 – Gallery Shop	23
- Schedule 5 – Facility Rental	24
- Schedule 6 – Administrative Expenses	25

**INDEPENDENT AUDITOR'S REPORT**

To the Board of Directors of Prince George Regional Art Gallery Association

**Opinion**

We have audited the financial statements of Prince George Regional Art Gallery Association (the Entity), which comprise the statement of financial position as at December 31, 2022, and the statements of operations, changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Entity as at December 31, 2022, and the results of its operations and cash flows for the year then ended in accordance with Canadian Accounting Standards for Non-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 Entity in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian Accounting Standards for Non-for-profit Organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

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

Partners  
Allan Beswick CPA, CA  
Norm Hildebrandt CPA, CA  
Robin Lund CPA, CMA

Denis Gervais CPA  
Terrie Trudington CPA

Beswick Hildebrandt Lund CPA  
556 North Westholme Road, Suite 30,  
Prince George BC, Canada V6K 1A4  
T: +1 250 564 2515, F: +1 250 562 8722

**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 Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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 Non-profit Organizations have been applied on a basis consistent with that of the preceding year.

*Beswick Hildebrandt Lund*

Chartered Professional Accountants

Prince George, British Columbia

April 19, 2023

PRINCE GEORGE REGIONAL ART GALLERY ASSOCIATION  
STATEMENT OF FINANCIAL POSITION

December 31, 2022

ASSETS

	2022	2021
<b>CURRENT ASSETS</b>		
Cash	\$ 137,870	\$ 470,681
Temporary Investment (Note 3)	42,628	41,825
Wages Subsidy Receivable	-	-
Accounts Receivable	9,236	8,448
Inventory	8,528	6,836
Prepaid Expenses	10,872	12,100
	208,436	539,870
<b>INVESTMENTS (Note 4)</b>	385,457	302,183
<b>TANGIBLE CAPITAL ASSETS (Note 5)</b>	254,183	242,554
<b>PERMANENT COLLECTION (Note 5)</b>	1	1

Approved by the Board:

\_\_\_\_\_, Director

\_\_\_\_\_, Director

**\$ 348,867 \$ 1,144,618**



PRINCE GEORGE REGIONAL ART GALLERY ASSOCIATION  
STATEMENT OF CHANGES IN NET ASSETS

For the year ended December 31, 2022

	2022		2021	
	Investment in Tangible Capital Assets (Note 11)	Unrestricted Reserve	Unrestricted Capital Reserve	Total
BALANCE AT BEGINNING OF THE YEAR	\$ 110,418	\$ 184,552	\$ 423,993	\$ 698,963
EXCESS REVENUES (EXPENSES)	(22,735)	(91,117)	-	(113,852)
INTERFUND TRANSFER (Note 21)	42,100	(42,100)	-	-
BALANCE AT END OF THE YEAR	\$ 129,783	\$ 51,335	\$ 423,993	\$ 605,111

PRINCE GEORGE REGIONAL ART GALLERY ASSOCIATION  
STATEMENT OF CASH FLOWS

For the year ended December 31, 2022

	2022	2021
<b>OPERATING ACTIVITIES</b>		
Excess Revenues (Expenses)	\$ (113,850)	\$ 189,882
Items Not Affecting Cash:		
Amortization of Deferred Contributions Related to Equipment	(7,739)	(7,739)
Loss on Disposal of Equipment	-	-
Unrealized Loss (Gain)	43,894	(13,417)
Amortization of Equipment	30,472	25,458
	<u>(47,223)</u>	<u>204,184</u>
Changes in Non-Cash Operating Working Capital Items:		
Accounts Receivable	(898)	(6,157)
Wage Subsidy Receivable	-	81,630
Inventory	(1,702)	1,482
Prepaid Expenses	1,788	(4,133)
Accounts Payable and Accrued Liabilities	(35,071)	42,334
Unearned Revenue	(38,492)	7,842
Deferred Contributions	(82,179)	(88,478)
Deferred Contributions Related to Tangible Capital Assets	<u>(19,211)</u>	<u>(7,739)</u>
	<u>(223,467)</u>	<u>230,767</u>
<b>INVESTING ACTIVITIES</b>		
Temporary Investment - Reinvested	(795)	(791)
Acquisition of Investment	(59,887)	(343,521)
Investment Gains - Reinvested	(7,287)	(5,256)
Acquisition of Equipment	<u>(42,100)</u>	<u>(35,879)</u>
	<u>(110,069)</u>	<u>(385,430)</u>
<b>DECREASE IN CASH DURING THE YEAR</b>	<b>(333,531)</b>	<b>(154,869)</b>
<b>CASH AT BEGINNING OF THE YEAR</b>	<b>470,601</b>	<b>625,270</b>
<b>CASH AT END OF THE YEAR</b>	<b>\$ 137,070</b>	<b>\$ 470,401</b>

See notes to the financial statements.

See notes to the financial statements.

PRINCE GEORGE REGIONAL ART GALLERY ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS

For the year ended December 31, 2022

1. PURPOSE OF THE ASSOCIATION

The Prince George Regional Art Gallery Association ("the Association") is a not-for-profit organization incorporated in January 1971 under the Society Act (British Columbia). The Prince George Regional Art Gallery Association, operating as Two Rivers Gallery, contributes to the quality of life of the residents of Prince George and the Central Interior of British Columbia by collecting, exhibiting and interpreting visual art. Its objectives are to establish and maintain an art gallery for the perpetual benefit of the Regional District of Fraser-Fort-George and its citizens. It is a registered Canadian charity pursuant to Section 149(1)(j) of the Income Tax Act.

2. SIGNIFICANT ACCOUNTING POLICIES

Basis for Presentation

The Association applies the Canadian accounting standards for not-for-profit organizations.

Fund Accounting

Investment in Tangible Capital Asset Fund

The investment in Tangible Capital Asset fund reports the assets, liabilities, revenues and expenses related to the tangible capital assets of the Association.

Unrestricted Fund

The Unrestricted fund accounts for the Association's program delivery, development and administrative activities. This fund reports unrestricted resources.

Internally Restricted Capital Reserve Fund

This Internally Restricted Capital Reserve fund is an internally restricted fund. The purpose of this fund is to provide resources for significant tangible capital asset purchases. The fund reports funds reserved for the purchase of significant tangible capital assets.

Revenue Recognition

The Association follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Unearned revenue represents memberships, class fees and other revenue that have been received but not yet earned.

Rental and gallery shop revenues are recognized in the year in which they were earned.

PRINCE GEORGE REGIONAL ART GALLERY ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS

For the year ended December 31, 2022

2. SIGNIFICANT ACCOUNTING POLICIES, continued

Inventory

Inventory is valued at the lower of cost and net realizable value, with the cost being determined using the specific identification method. Net realizable value is the estimated selling price in the ordinary course of business, less any applicable variable selling costs. Inventory consists of items available for sale in the gift shop.

Tangible Capital Assets

Tangible capital assets are recorded at cost. Tangible capital assets are recorded at fair value at the date of contribution. Tangible capital assets and deferred contributions related to tangible capital assets are amortized using the following rates and methods:

Collectors storage	4%	Declining balance
Program equipment	20%	Declining balance
Exhibition equipment	20%	Declining balance
Shop fixtures	20%	Declining balance
Computer equipment	30%	Declining balance
Office equipment	20%	Declining balance
Furniture	20%	Declining balance
Maintenance equipment	20%	Declining balance
Website	5%	Straight-line
Software	20%	Declining balance
Building improvements	7-20%	Straight-line
Data base	20%	Declining balance

Permanent Collection

The permanent collection of the Association is comprised of paintings, drawings, sculptures and other visual art materials primarily of a contemporary nature. The Association is responsible for the management of the Prince George Regional Art Gallery collection. The collection is shown as an asset at nominal value of \$1 due to the practical difficulties of determining a meaningful value for the assets. Items purchased for the collection are recorded as an expense in the year of acquisition. Contributed collections are appraised and recorded at fair market value in the books of account. A donation-permanent collection revenue and expense is recognized for the contribution. See Schedule 2 for more information. All preservation costs are expensed in the period incurred. The permanent collection is not amortized as these assets are works of art, which are rare and unique and have cultural and historical significance.

Contributed Materials, Supplies and Services

Donors and volunteers contribute materials, supplies and services to assist the Association in carrying out its service delivery activities. Contributed materials, supplies and services are recognized in the financial statements only if their fair value can be determined.

PRINCE GEORGE REGIONAL ART GALLERY ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS

For the year ended December 31, 2022

2. SIGNIFICANT ACCOUNTING POLICIES, continued

Cash

Cash includes cash on hand and cash on deposit net of cheques issued and outstanding at the reporting date.

Financial Instruments

Measurement of financial instruments

The Association initially measures its financial assets and financial liabilities at fair value.

The Association subsequently measures all its financial assets and financial liabilities at amortized cost, except for investments that are quoted in an active market, which are measured at fair value. Changes in fair value of these financial instruments are recognized in net income.

Financial assets measured at amortized cost include cash, temporary investments and accounts receivable.

Financial assets measured at fair value include investments which are comprised of fixed income investments.

Financial liabilities measured at cost include accounts payable and accrued liabilities.

Impairment

Financial assets measured at cost are tested for impairment when there are indicators of impairment. The amount of the write-down is recognized in net income. The previously recognized impairment loss may be reversed to the extent of the improvement, directly or by adjusting the allowance account, provided it is no greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously. The amount of the reversal is recognized in net income.

Transaction costs

The entity recognizes its transaction costs in net income in the period incurred. However, the carrying amount of the financial instruments that will not be subsequently measured at fair value is reflected in the transaction costs that are directly attributable to their origination, issuance or assumption.

Measurement Uncertainty

The preparation of the financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. By their nature, these estimates are subject to measurement uncertainty and the effect on the financial statements of changes in such estimates in future periods could be significant. Significant estimates include the useful life of equipment.

PRINCE GEORGE REGIONAL ART GALLERY ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS

For the year ended December 31, 2022

3. TEMPORARY INVESTMENT

The temporary investment consists of a guaranteed investment certificate with an interest rate of 1.0% per year and a maturity date of January 30, 2024. The investment is redeemable on demand with no penalty.

4. INVESTMENTS

Investments are managed by a Credential Securities and are invested in fixed income investments. These investments have been restricted to fund the internally restricted funds disclosed in note 2.

The cost of investments as of December 31, 2022 is \$415,945 (2021 - \$348,770).

5. TANGIBLE CAPITAL ASSETS

	2022		2021	
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Collection's storage	\$ 70,264	\$ 22,551	\$ 56,713	\$ 59,079
Program equipment	33,763	27,770	9,993	7,461
Exhibition equipment	43,002	40,017	2,985	3,731
Shop fixtures	15,947	14,303	1,644	1,558
Computer equipment	82,415	71,132	11,283	8,028
Office equipment	10,478	7,813	2,665	828
Furniture	47,145	36,381	7,764	771
Maintenance equipment	2,270	2,187	83	29
Website	8,200	6,013	2,187	3,827
Building improvements	147,552	23,153	124,399	132,138
Shop design	28,369	9,424	18,945	23,678
Data base	28,046	9,857	18,189	301
	\$ 527,594	\$ 273,411	\$ 254,183	\$ 242,554

6. PERMANENT COLLECTION

The Association maintains an extensive collection of visual arts, particularly art featuring the Central Interior and life in Northwestern Canada. The permanent collection comprises of 457 (2021 - 446) works of art.

The Association acquires works of art by purchase, gift and bequest. There were eight acquisitions during the year (2021 - 2) from purchases, gifts or bequests. The fair value of these pieces totalled \$40,550 (2021 - \$7,650).

PRINCE GEORGE REGIONAL ART GALLERY ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS

For the year ended December 31, 2022

7. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Accounts payable consists of:

Trade payable	2022	2021
Government reimbursements payable	\$ 77,745	\$ 112,308
- payroll and federal sales tax	11,383	11,802
	\$ 89,128	\$ 124,200

8. UNEARNED REVENUE

Programs	2022	2021
Memberships	\$ 9,526	\$ 48,061
	2,741	2,887
	\$ 12,265	\$ 50,748

9. DEFERRED CONTRIBUTIONS

Deferred contributions represent unspent resources received in the current period that are related to subsequent periods and are externally restricted for specific program expenditures. The deferred contributions for the year are as follows:

Deferred contributions	2022	2021
Funding revenue	\$ 37,180	\$ 116,304
- Permanent collection	-	10,783
	\$ 37,180	\$ 127,087

10. DEFERRED CONTRIBUTIONS RELATED TO TANGIBLE CAPITAL ASSETS

Deferred contributions related to tangible capital assets represent restricted contributions with which equipment has or will be purchased. The changes in the deferred contributions related to equipment balance for the year are as follows:

	Opening Balance	Unspent Reversal	Releases	Closing Balance
Building Improvements	\$ 85,302	\$ (11,472)	\$ (3,280)	\$ 70,550
Canadian Heritage Grant	58,308	-	(4,459)	53,849
City of Prince George	\$ 143,610	(11,472)	(7,739)	124,399

PRINCE GEORGE REGIONAL ART GALLERY ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS

For the year ended December 31, 2022

10. DEFERRED CONTRIBUTIONS RELATED TO TANGIBLE CAPITAL ASSETS, continued

The closing deferred balance of the Canada Heritage Grant as of December 31, 2022 consisted of \$nil (2021 - \$11,472) in unspent funding.

11. INVESTMENT IN TANGIBLE CAPITAL ASSETS AND PERMANENT COLLECTION

Net assets invested in tangible capital assets is calculated as follows:	2022	2021
Tangible Capital Assets	\$ 234,183	\$ 242,566
Permanent collection	234,184	242,566
Financed by:		
Deferred contributions related to equipment	124,399	132,137
	\$ 129,785	\$ 110,418
	2022	2021

The change in net assets invested in tangible capital assets is calculated as follows:

Deficiency of revenue over expenses:		
Amortization of deferred contributions related to tangible capital assets	\$ 7,739	\$ 7,739
Loss on disposal of capital assets	-	-
Amortization of tangible capital assets	(20,472)	(25,459)
	(22,733)	(17,719)

Investment in tangible capital assets  
Tangible capital asset funding used  
Acquisition of tangible capital assets

	42,400	36,879
	42,400	36,879
Change in net assets invested in tangible capital assets	\$ 19,267	\$ 18,160

12. COMMITMENTS

The Association has a twenty-year lease, for its current premises, with the City of Prince George. The lease expires in 2025, and lease payments are \$1,000 per annum. The fair value of the lease payments cannot be reasonably determined.

PRINCE GEORGE REGIONAL ART GALLERY ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS

For the year ended December 31, 2022

13. REGIONAL DISTRICT OF FRASER FORT GEORGE GRANT REVENUE CLASSIFICATION SUMMARY

	2022 Budget (unaudited) (Note 10)	2022 Actual	2021 Actual
Regional District of Fraser Fort George - General Operations	\$ 481,000	\$ 461,888	\$ 461,025
Educational Programming Outreach Grant (Schedule 1)	32,000	32,888	32,000
Exhibition Outreach Grant (Schedule 2)	20,650	21,888	21,000
	<u>\$ 510,650</u>	<u>\$ 520,688</u>	<u>\$ 530,025</u>

14. FEDERAL GOVERNMENT GRANT REVENUE CLASSIFICATION SUMMARY

	2022 Budget (unaudited) (Note 10)	2022 Actual	2021 Actual
Federal Government Grants Canadian Heritage	\$ 100,000	\$ 988,888	\$ 100,000
Educational Programming Grants (Schedule 1) NSERC	-	-	-
Building Communities Through Local Festivals Canadian Museums Association YCWR-10	24,300	11,932	11,500
Canada Summer Jobs	8,100	80,525	21,218
	<u>32,400</u>	<u>22,817</u>	<u>32,718</u>
Exhibition Grants (Schedule 2) Canadian Museums Association YCMBOL Other Exhibition Grants Education Centre College	10,854	4,487	2,872
	<u>10,854</u>	<u>5,291</u>	<u>4,325</u>
	<u>\$ 143,054</u>	<u>\$ 932,225</u>	<u>\$ 144,736</u>

PRINCE GEORGE REGIONAL ART GALLERY ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS

For the year ended December 31, 2022

15. BC ARTS COUNCIL GRANT REVENUE CLASSIFICATION SUMMARY

	2022 Budget (unaudited) (Note 10)	2022 Actual	2021 Actual
BC Arts Council - Operating Grant Educational Programming Grants (Schedule 1)	\$ 70,000	\$ 902,888	\$ 1,02,000
Arts and Culture Resiliency Enhanced Capacity	-	4,688	-
Arts Based Community Development	-	-	-
	<u>\$ 70,000</u>	<u>\$ 906,468</u>	<u>\$ 1,02,000</u>

16. OTHER EDUCATIONAL GRANT REVENUE CLASSIFICATION SUMMARY

	2022 Budget (unaudited) (Note 10)	2022 Actual	2021 Actual
Other Educational Grants Educational Programming Grants (Schedule 1) City of Prince George	\$ -	\$ 8,000	\$ 8,000
Miscellaneous	13,000	129	15,000
Prince George Community Foundation	-	-	1,250
BC Museums Community Art Days	18,300	19,905	-
	<u>\$ 31,300</u>	<u>\$ 28,034</u>	<u>\$ 33,250</u>

17. FINANCIAL INSTRUMENTS

Risks and Concentrations

The Association is exposed to various risks through its financial instruments, without being exposed to concentrations of risks. The following analysis provides a measure of the Association's risk exposure as at December 31, 2022.

Credit Risk

The Association is exposed to credit risk on the accounts receivable from its members. Management deems this risk to be minimal.

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty meeting obligations associated with financial liabilities. The Association is exposed to liquidity risk mainly in respect of its accounts payable.

PRINCE GEORGE REGIONAL ART GALLERY ASSOCIATION  
NOTES TO THE FINANCIAL STATEMENTS

For the year ended December 31, 2022

17. FINANCIAL INSTRUMENTS, continued

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk. The Board is exposed to other price risk, currency risk and interest risk.

Currency risk

The Association's investments are all quoted in Canadian dollars. However, the Board is subject to foreign exchange risk to the extent that the underlying investments themselves are invested in financial instruments quoted in a currency different than Canadian dollars and are not or only partially hedged against foreign exchange fluctuations by the respective investment manager. Management deems this risk to be minimal.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Association is exposed to interest rate risk on its fixed interest rate financial instruments. Fixed interest instruments subject the Board to a fair value risk, since fair value fluctuates inversely to changes in market interest rates. Management deems this risk to be minimal.

Other price risk

Other price risk is the risk that 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 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 Association is exposed to other price risk through its investments in listed shares for which the value fluctuates with quoted market price. Management deems this risk to be minimal.

18. BUDGETS

Budgets have been prepared by management, approved by the board, but were not subject to audit or review.

19. RELATED PARTY TRANSACTIONS

During the year, fees of \$1,713 (2021 - \$1,951) were paid to board members. The fees were comprised of exhibition fees of \$1,713 (2021 - \$1,951).

The transactions occur in the normal course of operations and are at the exchange amount, which the amount of consideration agreed to by the related parties.

PRINCE GEORGE REGIONAL ART GALLERY ASSOCIATION  
NOTES TO THE FINANCIAL STATEMENTS

For the year ended December 31, 2022

20. REMUNERATION OF DIRECTORS, EMPLOYEES AND CONTRACTORS

Remuneration of Directors

Remuneration in the form of consignment, exhibition and teaching fees paid to elected directors during the year ended December 31, 2022 was \$1,713 (2021 - \$1,951).

Top Ten Employees and Contractor Compensation

One employee (2021 - one employee) received compensation including benefits in excess of \$75,000 per individual for the year ended December 31, 2022. Their total compensation for the year ended December 31, 2022 was \$101,438 (2021 - \$88,288).

21. INTERFUND TRANSFER

During the year, a transfer of \$42,100 (2021 - \$36,979) was made from the Unrestricted fund to the Investment in Tangible Capital Assets fund for assets purchased.

PRINCE GEORGE REGIONAL ART GALLERY ASSOCIATION  
SCHEDULE OF EXHIBITION PROGRAMMING

For the year ended December 31, 2022

	2022 Budget (unaudited) (Note 10)	2022 Actual	2021 Actual
<b>REVENUE</b>			
<b>EXHIBITION PROGRAMMING GRANTS</b>			
Regional District of Fraser Fort George (Note 13)	\$ 20,050	\$ 27,000	\$ 27,000
Canada Council	60,050	50,000	50,000
Federal Government of Canada Grants (Note 14)	10,054	9,000	11,007
	<u>100,154</u>	<u>86,000</u>	<u>88,007</u>
<b>EXHIBITION PROGRAMMING REVENUE</b>			
Exhibition Sponsors	5,000	500	850
Catalogue Sales	1,200	2,007	1,404
Acquisitions	-	16,793	-
Donations - Permanent Collection	-	9,350	650
	<u>6,200</u>	<u>28,550</u>	<u>2,904</u>
	<u>106,354</u>	<u>114,550</u>	<u>90,911</u>
<b>EXPENSES</b>			
Wages	140,010	151,000	130,310
Exhibition Production	50,000	50,000	50,700
Artist Exhibition Fees	30,070	32,034	30,717
Catalogues and Overviews	20,000	19,351	17,100
Travelling Exhibitions	22,010	20,320	20,150
Acquisitions (Note 6)	-	6,000	7,000
Visiting Artist Expense	33,100	14,010	5,007
Touring	500	1,000	40
Receptions and Hospitality	5,000	6,020	530
Permanent Collection	5,000	20,000	400
Galleries	7,000	3,140	3,000
Lectures and Talks	5,340	9,475	1,010
Copyright	500	-	-
Cultural Travel and Mileage	4,500	550	800
Insurance	-	500	1,200
Advertising	-	300	-
Donations to Permanent Collection (Note 6)	-	9,550	850
	<u>344,100</u>	<u>380,554</u>	<u>260,903</u>
<b>EXCESS EXPENSES</b>	<b>\$ (27,146)</b>	<b>\$ (200,004)</b>	<b>\$ (169,992)</b>

See notes to the financial statements.

PRINCE GEORGE REGIONAL ART GALLERY ASSOCIATION  
SCHEDULE OF EDUCATION PROGRAMMING

For the year ended December 31, 2022

	2022 Budget (unaudited) (Note 10)	2022 Actual	2021 Actual
<b>REVENUE</b>			
<b>EDUCATIONAL PROGRAMMING GRANTS</b>			
Regional District of Fraser Fort George (Note 13)	\$ 32,000	\$ 32,000	\$ 32,000
Federal Government of Canada Grants (Note 14)	32,400	22,617	32,730
Other Educational Grants (Note 10)	31,300	26,004	33,250
BC Arts Council (Note 15)	-	4,488	-
	<u>95,700</u>	<u>85,119</u>	<u>97,980</u>
<b>EDUCATIONAL PROGRAMMING REVENUE</b>			
Children and Youth Programs	94,733	76,264	72,050
Sponsors	30,000	15,410	10,000
Art Heals Program	20,415	20,441	23,500
Adult Studio Programs	5,100	7,875	8,300
Maker Lab	-	-	257
Partner Programs	20,000	31,000	2,410
Special Events	-	275	-
Sunday Open Studio	600	457	-
	<u>180,848</u>	<u>159,722</u>	<u>121,577</u>
	<u>205,202</u>	<u>244,911</u>	<u>210,500</u>
<b>EXPENSES</b>			
Wages	237,000	197,400	200,000
Maker Lab	4,500	5,247	0,000
Youth Programs	24,000	40,300	17,000
Adult Studio Program	1,200	3,000	0,300
Art Heals Program	6,000	3,700	3,000
Miscellaneous	10,000	11,500	0,000
Sunday Open Studio	600	645	320
Outreach Programs	7,200	14,400	10,000
Partner Program	25,000	14,757	200
	<u>322,000</u>	<u>290,114</u>	<u>261,000</u>
<b>EXCESS EXPENSES</b>	<b>\$ (16,798)</b>	<b>\$ (45,203)</b>	<b>\$ (50,500)</b>

See notes to the financial statements.

PRINCE GEORGE REGIONAL ART GALLERY ASSOCIATION

SCHEDULE OF GALLERY SHOP

For the year ended December 31, 2022

	2022 Budget (unaudited) (Note 18)	2022 Actual	2021 Actual
REVENUES	\$ 68,378	\$ 36,718	\$ 48,555
COST OF SALES	48,190	22,970	38,107
GROSS PROFIT (2022 - 37%; 2021 - 18%)	21,188	13,748	8,448
GENERAL AND ADMINISTRATIVE EXPENSES			
Wages	38,500	39,778	21,805
Shop Supplies	800	605	5,280
Advertising and Promotion	-	-	53
Insurance	-	(21,359)	-
	40,400	19,028	28,038
EXCESS EXPENSES	\$ (18,212)	\$ (5,280)	\$ (18,460)

See notes to the financial statements.

PRINCE GEORGE REGIONAL ART GALLERY ASSOCIATION

SCHEDULE OF DEVELOPMENT

For the year ended December 31, 2022

	2022 Budget (unaudited) (Note 18)	2022 Actual	2021 Actual
REVENUES			
Fundraising Events	\$ 8,800	\$ 10,267	\$ -
Memberships	-	3,224	2,383
Donations	3,800	3,824	4,517
Federal and Provincial Sales Tax Recoveries	1,366	1,756	1,560
Endowment Fund Revenue	11,802	11,802	3,178
Hospitality	-	4	-
Facility Rental	-	3,082	-
Annual Campaign	5,000	1,643	488
Interest	780	756	781
	31,838	35,955	12,808
EXPENSES			
Marketing	64,200	63,644	-
Donations	-	15,039	-
Miscellaneous	18,800	5,670	-
Fundraising	-	143	-
Hospitality	-	488	508
	83,000	85,376	508
EXCESS (EXPENSES) REVENUES	\$ (51,862)	\$ (49,781)	\$ 12,402

See notes to the financial statements.

PRINCE GEORGE REGIONAL ART GALLERY ASSOCIATION

SCHEDULE OF ADMINISTRATIVE EXPENSES

For the year ended December 31, 2022

	2022 Budget (unaudited) (Note 18)	2022 Actual	2021 Actual
<b>EXPENSES</b>			
Occupancy Costs	\$ 158,284	\$ 183,358	\$ 157,485
Bookkeeping	32,000	34,878	34,228
Office and Miscellaneous	14,400	17,758	22,220
Recruitment	800	-	3,143
Equipment Rental, Repairs and Maintenance	13,500	10,859	9,189
Telephone and Fax	4,800	6,888	5,052
Bank Charges and Interest	1,200	9,243	10,301
Insurance	8,312	8,398	8,186
Professional Fees	10,000	9,884	9,288
Health and safety	8,000	383	189
Licenses and Dues	5,004	5,657	5,280
Training and Professional Development	8,450	9,867	5,272
Meetings	1,200	1,504	1,154
Travel and Mileage	10,880	11,485	3,971
Board Development	2,450	248	780
Postage	1,800	2,157	342
Security	40,500	22,329	3,087
Strategic Planning	60,000	20,289	18,868
Library	-	113	-
Loss on Disposal of Equipment	-	-	-
	<u>\$ 385,840</u>	<u>\$ 354,548</u>	<u>\$ 285,835</u>

See notes to the financial statements.

PRINCE GEORGE REGIONAL ART GALLERY ASSOCIATION

SCHEDULE OF FACILITY RENTAL

For the year ended December 31, 2022

	2022 Budget (unaudited) (Note 18)	2022 Actual	2021 Actual
<b>REVENUES</b>			
Facility Rental	\$ 5,000	\$ -	\$ 1,288
<b>EXPENSES</b>			
Facility Rental	-	-	340
<b>EXCESS REVENUES</b>	<u>\$ 5,000</u>	<u>\$ -</u>	<u>\$ 928</u>

See notes to the financial statements.



KPMG LLP  
177 Victoria Street, Suite 400  
Prince George BC V2L 5R8  
Canada  
Tel (250) 563-7151  
Fax (250) 563-5863

## INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT

To the Members of Central British Columbia Railway & Forest Industry Museum Society

We have reviewed the accompanying financial statements of Central British Columbia Railway & Forest Industry Museum Society, which comprise the statement of financial position as at December 31, 2022, the statements of operations, changes in net assets and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

### *Management's Responsibility for the Financial Statements*

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

### *Practitioner's Responsibility*

Our responsibility is to express a conclusion on the accompanying financial statements based on our review. We conducted our review in accordance with Canadian generally accepted standards for review engagements, which require us to comply with relevant ethical requirements.

A review of financial statements in accordance with Canadian generally accepted standards for review engagements is a limited assurance engagement. The practitioner performs procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less in extent than, and vary in nature from, those performed in an audit conducted in accordance with Canadian generally accepted auditing standards. Accordingly, we do not express an audit opinion on these financial statements.

Financial Statements of

## CENTRAL BRITISH COLUMBIA RAILWAY & FOREST INDUSTRY MUSEUM SOCIETY

And Independent Practitioner's Review Engagement Report  
Thereon

Year ended December 31, 2022



# CENTRAL BRITISH COLUMBIA RAILWAY & FOREST INDUSTRY MUSEUM SOCIETY

Statement of Financial Position

Page 2

**Conclusion**

Based on our review, nothing has come to our attention that causes us to believe that the financial statements do not present fairly, in all material respects, the financial position of Central British Columbia Railway & Forest Industry Museum Society as at December 31, 2022, and its results of operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

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

*KPMG LLP*

Chartered Professional Accountants

Prince George, Canada

June 28, 2023

December 31, 2022, with comparative information for 2021

	2022	2021
<b>Assets</b>		
<b>Current assets:</b>		
Cash	\$ 145,031	\$ 182,369
Restricted cash (note 2)	17,841	18,707
Short-term investments (note 3)	270,866	274,737
Accounts receivable	16,403	106,230
Inventory	6,372	3,972
Prepaid expenses	482	554
	486,794	586,186
Tangible capital assets (note 4)	1,908,325	1,807,122
Historical collection (note 5)	1	1
	<b>\$ 2,375,120</b>	<b>\$ 2,483,282</b>

**Liabilities**

<b>Current liabilities:</b>		
Accounts payable and accrued liabilities (note 6)	\$ 27,429	\$ 50,381
Deferred contributions (note 7)	40,427	41,204
	87,856	100,582
Deferred contributions related to tangible capital assets (note 8)		
	271,843	275,174
	338,788	375,758
<b>Net assets:</b>		
Invested in tangible capital assets (note 9)	1,636,382	1,631,947
Restricted reserve (note 10)	17,841	18,707
Capital campaign (note 11)	186,856	181,935
Unrestricted	184,148	284,947
	2,065,327	2,117,536
	<b>\$ 2,375,120</b>	<b>\$ 2,483,282</b>

See accompanying notes to financial statements.

On behalf of the Board:

\_\_\_\_\_  
Director

# CENTRAL BRITISH COLUMBIA RAILWAY & FOREST INDUSTRY MUSEUM SOCIETY

Statement of Operations

Year ended December 31, 2022, with comparative information for 2021

	2022	
<b>Revenue:</b>		
Amortization of deferred contributions related to tangible capital assets (note 8)	\$ 5,287	\$
Earned revenue - Schedule 1	120,168	
Fundraising revenue - Schedule 2	103,545	
Grant revenue - Schedule 3	238,053	
Volunteer labour (note 12)	57,724	
	524,735	
<b>Expenses:</b>		
Administrative expenses - Schedule 4	83,348	
Amortization	19,838	
Gift shop merchandise	15,852	
Management support services - Schedule 5	33,028	
Special events	32,335	
Volunteer labour (note 12)	58,288	
Wages and benefits	384,458	
	606,804	
Deficiency of operating revenues over operating expenditures	(82,200)	
Other income:		
Wage subsidies	-	
	-	
<b>Net (deficiency) earnings</b>	<b>\$ (82,200)</b>	<b>\$</b>

See accompanying notes to financial statements.

# CENTRAL BRITISH COLUMBIA RAILWAY & FOREST INDUSTRY MUSEUM SOCIETY

Statement of Changes in Net Assets

Year ended December 31, 2022, with comparative information for 2021

	Capital campaign	Invested in tangible capital assets	Restricted reserve	Unrestricted	Total 2022	Total 2021
Balance, beginning of year	\$ 181,935	\$ 1,831,847	\$ 18,707	\$ 284,847	\$ 2,117,538	\$ 2,040,348
Excess of revenues over expenditures	4,900	(21,752)	(788)	(84,911)	(82,208)	77,187
Purchase of tangible capital assets using unrestricted funds	-	20,860	-	(20,860)	-	-
Transfers	-	5,287	-	(5,287)	-	-
<b>Balance, end of year</b>	<b>\$ 186,835</b>	<b>\$ 1,838,382</b>	<b>\$ 17,941</b>	<b>\$ 184,148</b>	<b>\$ 2,026,307</b>	<b>\$ 2,117,538</b>

See accompanying notes to financial statements.

# CENTRAL BRITISH COLUMBIA RAILWAY & FOREST INDUSTRY MUSEUM SOCIETY

Statement of Cash Flows

Year ended December 31, 2022, with comparative information for 2021

	2022	2021
Cash provided by (used in):		
Operations:		
Net (deficiency) earnings	\$ (82,200)	\$ 77,187
Items not involving cash:		
Amortization	19,838	19,117
Amortization of deferred contributions related to tangible capital assets	(5,287)	(5,973)
	(67,649)	90,331
Change in non-cash operating working capital:		
Accounts receivable	89,827	43,022
Inventory	(2,800)	3,488
Prepaid expenses	72	(108)
Accounts payable and accrued liabilities	(31,959)	36,820
Deferred contributions	(774)	(3,812)
	(13,453)	189,919
Investing:		
Purchase of short-term investments	(4,938)	(1,018)
Purchase of tangible capital assets	(20,820)	(34,000)
	(25,758)	(35,018)
(Decrease) increase in cash	(38,281)	134,901
Cash, beginning of year	201,078	86,175
<b>Cash, end of year</b>	<b>\$ 162,797</b>	<b>\$ 201,078</b>
Cash consists of:		
Cash	\$ 145,931	\$ 182,389
Restricted cash	17,041	18,707
	\$ 162,972	\$ 201,078
Non-cash transactions:		
Transfer from deferred contributions to deferred contributions related to tangible capital assets	\$ 2,085	\$ -

See accompanying notes to financial statements.

# CENTRAL BRITISH COLUMBIA RAILWAY & FOREST INDUSTRY MUSEUM SOCIETY

Notes to Financial Statements

Year ended December 31, 2022

Central British Columbia Railway & Forest Industry Museum Society (the "Society") was incorporated under the Societies Act (British Columbia) on March 22, 1983. The Society operates a railway and forest industry museum in Prince George, British Columbia. The Society is tax exempt as a non-profit society under Section 149(1) of the Income Tax Act and is a registered charity.

**1. Significant accounting policies:**

These financial statements are prepared in accordance with Canadian accounting standards for not-for-profit organizations. The Society's significant accounting policies are as follows:

**(a) Short-term investments:**

Short-term investments consist of guaranteed investment certificates and marketable securities and are recorded at fair value. Unrealized gains and losses as a result of fair value adjustments at year end are recognized in net assets.

**(b) Inventory:**

Inventory is recorded at the lower of cost and net realizable value.

**(c) Tangible capital assets:**

Tangible capital assets purchased are recorded at cost. Contributed tangible capital assets are recorded at fair market value at the date of contribution. No amortization is recorded on tangible capital assets under development until development is substantially complete and the assets are ready for use.

Amortization is provided using the declining balance method and the following annual rates:

Asset	Rate
Buildings	4%
Furniture and fixtures	20%
Historical Collection	0%
Machinery and equipment	20%
Mini-rail	30%
Paving	8%
Vehicles	30%

The carrying amount of tangible capital assets is tested for recoverability whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized when the asset's carrying amount is not recoverable and exceeds its fair value.

# CENTRAL BRITISH COLUMBIA RAILWAY & FOREST INDUSTRY MUSEUM SOCIETY

Notes to Financial Statements (continued)

Year ended December 31, 2022

## 1. Significant accounting policies (continued):

### (d) Historical collection:

The historical collection consists of a number of historical logging and railway related items. The collection is recognized as an asset at a nominal value of \$1 due to the practical difficulties of determining a meaningful value for the assets. Items purchased for the collection are recorded as an expense in the current year of acquisition. Contributed collection items are not recorded in the books of accounts. All preservation costs are expensed in the period incurred. The historical logging and railway related items are not amortized as these assets are rare and unique and have historical significance.

### (e) Revenue recognition:

The Society follows the deferral method of accounting for contributions.

Restricted contributions are recognized as revenue in the year in which the related expenses are incurred.

Grants and contributions that are unrestricted are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Government grants approved but not received at the end of the year are recorded as receivable.

Contributions for the purchase of tangible capital assets are deferred and amortized over the life of the related tangible capital asset.

Restricted investment income is recognized as revenue in the year in which the related expenses are incurred. Unrestricted investment income is recognized as revenue when earned.

# CENTRAL BRITISH COLUMBIA RAILWAY & FOREST INDUSTRY MUSEUM SOCIETY

Notes to Financial Statements (continued)

Year ended December 31, 2022

## 1. Significant accounting policies (continued):

### (f) Donations:

Donated materials and services are recorded in the financial statements at fair market value when the fair market value can be reasonably estimated and when the Society would otherwise have purchased these items or services.

### (g) Contributed services:

The Society receives contributions of volunteer labour in respect of repairs and maintenance or restoration of either the tangible capital assets or the historical collection. The value of this contributed volunteer labour is recorded as revenue if estimated fair market value and offset by a charge to the appropriate expenditure.

### (h) Use of estimates:

The preparation of the financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the year. Significant items subject to such estimates and assumptions include prepaid expenses, the carrying amounts of tangible capital assets, accounts payable and accrued liabilities and deferred contributions related to tangible capital assets. Actual results could differ from these estimates.

### (i) Financial instruments:

Financial instruments are recorded at fair value on initial recognition. Equity instruments that are quoted in an active market are subsequently measured at fair value. All other financial instruments are subsequently measured at cost or amortized cost, unless management has elected to carry the instruments at fair value. The Society has not elected to carry any such financial instruments at fair value.

Transaction costs incurred on the acquisition of financial instruments measured subsequently at fair value are expensed as incurred. All other financial instruments are adjusted by transaction costs incurred on acquisition and financing costs, which are amortized using the effective interest rate method.

# CENTRAL BRITISH COLUMBIA RAILWAY & FOREST INDUSTRY MUSEUM SOCIETY

Notes to Financial Statements (continued)

Year ended December 31, 2022

## 1. Significant accounting policies (continued):

### (i) Financial instruments (continued):

Financial assets are assessed for impairment on an annual basis at the end of the fiscal year if there are indicators of impairment. If there is an indicator of impairment, the Society determines if there is a significant adverse change in the expected amount or timing of future cash flows from the financial asset. If there is a significant adverse change in the expected cash flows, the carrying value of the financial asset is reduced to the highest of the present value of the expected cash flows, the amount that could be realized from selling the financial asset or the amount the Society expects to realize by exercising its right to any collateral. If events and circumstances reverse in a future year, an impairment loss will be reversed to the extent of the impairment, not exceeding the initial carrying value.

### 2. Restricted cash:

Restricted cash consists of gaming funds which are to be used for specific programs and are externally restricted:

	2022	2021
Gaming funds	\$ 17,041	\$ 18,707

### 3. Short-term investments:

The Society holds funds for acquisition or construction purposes in short-term deposits for the following:

	2022	2021
Historical collection - restricted (quantified investment certificate)	\$ 3,277	\$ 3,280
Capital campaign - restricted	106,050	101,500
Unrestricted funds	80,532	80,532
	\$ 270,066	\$ 274,737

# CENTRAL BRITISH COLUMBIA RAILWAY & FOREST INDUSTRY MUSEUM SOCIETY

Notes to Financial Statements (continued)

Year ended December 31, 2022

## 4. Tangible capital assets:

		2022	2021
	Cost	Accumulated amortization	Net book value
Buildings	\$ 1,403,253	\$ 540,212	\$ 863,041
Furniture and fixtures	21,365	20,044	1,321
Land	1,012,114	-	1,012,114
Machinery and equipment	187,564	174,950	12,614
Mini-rail	342,044	341,368	676
Paving	54,524	35,221	19,303
Vehicles	25,300	25,143	157
	\$ 3,048,164	\$ 1,137,839	\$ 1,910,325
			\$ 1,007,122

Included in buildings is \$471,038 for the display portion under development. This building has not been amortized because it is not available for use at December 31, 2022.

## 5. Historical collection:

The historical collection consists of a number of historical logging and railway related items. During the year, the Society did not receive any of donations of historical items (2021 - \$1). These have not been recorded in the financial statements of the Society. No historical items were disposed of during the year.

## 6. Accounts payable and accrued liabilities:

	2022	2021
Accounts payable and accrued liabilities	\$ 21,138	\$ 53,822
Payroll and withholding taxes	7,010	5,867
Sales tax (receivable)	(734)	(308)
	\$ 27,423	\$ 59,381

**CENTRAL BRITISH COLUMBIA RAILWAY  
& FOREST INDUSTRY MUSEUM SOCIETY**

Notes to Financial Statements (continued)

Year ended December 31, 2022

**7. Deferred contributions:**

The Society has received deferred grants and contributions which are to be used for specific purposes in future periods as follows:

	Gainful	Other	Total 2022	Total 2021
Balance - beginning of year	\$ 18,707	\$ 22,500	\$ 41,207	\$ 44,813
Funds received	30,000	-	30,000	30,000
Fund expenditures	(30,768)	-	(30,768)	(33,612)
Balance, end of year	\$ 17,941	\$ 22,500	\$ 40,435	\$ 41,201

**8. Deferred contributions related to tangible capital assets:**

	2022	2021
Balance, beginning of year	\$ 275,174	\$ 281,148
Contributions of tangible capital assets	2,065	-
Amortization of deferred contributions related to tangible capital assets	(5,297)	(5,974)
Balance, end of year	\$ 271,942	\$ 275,174

Contributions related to the display pavilion under development of \$198,728 (2020 - \$188,728) have not been amortized because the display pavilion is not available for use at December 31, 2021.

**CENTRAL BRITISH COLUMBIA RAILWAY  
& FOREST INDUSTRY MUSEUM SOCIETY**

Notes to Financial Statements (continued)

Year ended December 31, 2022

**9. Invested in tangible capital assets:**

Invested in tangible capital assets are calculated as follows:

	2022	2021
Tangible capital assets (note 4)	\$ 1,908,325	\$ 1,807,121
Financed by:		
Deferred contributions related to tangible capital assets (note 8)	271,843	275,174
	\$ 1,636,382	\$ 1,831,947

The change in invested in tangible capital assets is calculated as follows:

	2022	2021
Amortization of deferred contributions related to tangible capital assets	\$ 5,297	\$ 5,973
Amortization of tangible capital assets	(10,888)	(18,117)
Acquisition of tangible capital assets	18,824	34,000
	\$ 4,435	\$ 20,858

**10. Restricted reserve:**

The restricted reserve is to be used for maintaining the historical collection. During the year, the restricted reserve earned \$7 (2021 - \$5) of interest.

# CENTRAL BRITISH COLUMBIA RAILWAY & FOREST INDUSTRY MUSEUM SOCIETY

Notes to Financial Statements (continued)

Year ended December 31, 2022

## 11. Capital campaign:

In prior years, the Society's Board of Directors established the capital campaign to set aside funds to construct a display pavilion to preserve and protect artifacts of historical significance related to the railways, forestry and industrial development in Central British Columbia.

The change in capital campaign is calculated as follows:

	2022	2021
Interest revenue	\$ 4,020	\$ 1,013

## 12. Related party transactions:

During the year, members of the Society donated time and services valued at \$67,724 (2021 - \$62,800). This amount has been recorded in the financial statements in volunteer labour revenue with an offsetting expense to volunteer labour.

## 13. Endowments held at the Prince George Community Foundation:

A fund identified as the Central British Columbia Railway and Forest Industry Museum Society Endowment Fund is maintained by the Prince George Community Foundation. At year end, the Endowment Fund balance was \$207,878 (2020 - \$222,377). The funds managed by the Foundation are not under the Society's control or ownership and have not been recorded in the Society's financial statements.

In 2022, the Society received \$3,000 (2020 - \$28,040) in funds from the Prince George Community Foundation. Included in this amount the Society received \$0 (2020 - \$13,888) in interest and gains revenue from this endowment fund.

# CENTRAL BRITISH COLUMBIA RAILWAY & FOREST INDUSTRY MUSEUM SOCIETY

Notes to Financial Statements (continued)

Year ended December 31, 2022

## 14. Financial risks and concentration of risk:

The Society's financial instruments consist of cash, restricted cash, short-term investments, accounts receivable, accounts payable and accrued liabilities, deferred contributions and deferred contributions related to tangible capital assets. It is the Board of Directors opinion that the Society is not exposed to significant currency, market or credit risks arising from these financial instruments and that the fair value of these financial instruments approximate their carrying values.

## 15. Economic dependence:

The Society received 40% (2021 - 42%) of its funding from the Regional District of Fraser-Fort George. Any disruption in this funding could result in operational issues for the Society.

## 16. Disclosure of Employee and Contractor Remuneration:

For the fiscal year ending December 31, 2022, the Board of Directors are not remunerated. The Society did not pay any employee over \$75,000 in the year.

**CENTRAL BRITISH COLUMBIA RAILWAY  
& FOREST INDUSTRY MUSEUM SOCIETY**

Schedules

Year ended December 31, 2022, with comparative information for 2021

Schedule 1 - Earned revenue	2022	2021
Gift shop	\$ 32,758	\$ 13,842
Admissions	70,835	38,282
Facility rentals	12,588	6,767
Membership	2,351	1,628
Other (recovery)	1,808	388
	\$ 120,188	\$ 62,085
<b>Schedule 2 - Fundraising revenue</b>		
	2022	2021
Donations	\$ 8,803	\$ 5,557
Gaming	42,773	33,812
Interest	4,308	1,037
Special events and other	47,868	20,578
	\$ 103,548	\$ 60,782
<b>Schedule 3 - Grant revenue</b>		
	2022	2021
BC Museums Association	\$ 1,100	\$ 1,250
Grants - Other	1,000	400
Grants - Prince George Community Foundation	3,000	28,040
Grants - Summer students	26,834	80,841
Regional District of Fraser-Fort George	205,000	205,000
Projects	1,868	-
	\$ 238,852	\$ 285,531

**CENTRAL BRITISH COLUMBIA RAILWAY  
& FOREST INDUSTRY MUSEUM SOCIETY**

Schedules

Year ended December 31, 2022, with comparative information for 2021

Schedule 4 - Administrative expenses	2022	2021
Advertising	\$ 2,883	\$ 2,487
Automotive	3,322	1,948
Interest and bank charges	3,884	2,817
Office	13,805	13,000
Repairs and maintenance	15,257	10,067
Security and safety	1,427	5,132
Supplies	77	-
Special projects	5,858	5,464
Telephone	3,288	3,803
Training	2,858	1,085
Utilities	30,835	23,503
	\$ 83,348	\$ 88,108
<b>Schedule 5 - Management support services</b>		
	2022	2021
Insurance, licenses and dues	\$ 21,305	\$ 18,587
Meetings	1,820	472
Professional fees	8,381	11,143
Travel	1,412	757
	\$ 33,028	\$ 31,959

**HUBLE HOMESTEAD/GISCOME PORTAGE HERITAGE SOCIETY  
FINANCIAL STATEMENTS  
For the year ended December 31, 2022**

**CONTENTS**

	<u>Page</u>
INDEPENDENT AUDITOR'S REPORT	1 - 2
STATEMENT OF OPERATIONS	3
STATEMENT OF CHANGES IN NET ASSETS	4
STATEMENT OF FINANCIAL POSITION	5
STATEMENT OF CASH FLOWS	6
NOTES TO THE FINANCIAL STATEMENTS	7 - 14

**HUBLE HOMESTEAD/GISCOME PORTAGE  
HERITAGE SOCIETY  
FINANCIAL STATEMENTS**

**For the year ended December 31, 2022**

**INDEPENDENT AUDITOR'S REPORT**

To the Members of

Huttle Homeslead/Giscome Portage Heritage Society

*Opinion*

We have audited the financial statements of Huttle Homeslead/Giscome Portage Heritage Society, which comprise the statement of financial position as at December 31, 2022, and the statements of operations, changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Society as at December 31, 2022, and its results of operations and its cash flows for the year then ended in accordance with ASNIPO.

*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 those 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 statements for the year ended December 31, 2021 were audited by another auditor who expressed an unmodified opinion on those statements on June 22, 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 ASNIPO, 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

**INDEPENDENT AUDITOR'S REPORT, continued**

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 British Columbia Society Act, we report that in our opinion, these principles have been applied on a basis consistent with that of the preceding year.

Prince George, BC  
April 10, 2023

FBB CHARTERED  
PROFESSIONAL  
ACCOUNTANTS LLP

**HUBLE HOMESTEAD/GISCOME PORTAGE HERITAGE SOCIETY**

**STATEMENT OF OPERATIONS**

For the year ended December 31, 2022

	<u>2022</u>	<u>2021</u>
<b>REVENUES</b>		
Regional District of Fraser-Fort George	\$ 205,000	\$ -
Summer student grants	28,802	
Community planning grant	57,108	
General store and other revenue	30,734	
Government assistance (note 13)	38,310	
Other grants	62,002	
Rental	3,008	
Donations	14,354	
Membership, event and programming	4,519	
Interest income	88	
Amortization of deferred capital contributions	<u>3,303</u>	
	<u>445,308</u>	
<b>EXPENDITURES - Schedule 1</b>		
Administration	110,887	
Amortization	23,643	
Public outreach	119,128	
Site costs	<u>161,118</u>	
	<u>414,784</u>	
<b>EXCESS OF REVENUES OVER EXPENDITURES</b>	<b>\$ 30,564</b>	<b>\$ -</b>

See accompanying notes

**HUBLE HOMESTEAD/GISCOME PORTAGE HERITAGE SOCIETY**

**STATEMENT OF CHANGES IN NET ASSETS**

For the year ended December 31, 2022

	Invested in tangible capital assets	Internally Restricted	Unrestricted	Total 2022	Total 2021
<b>NET ASSETS, BEGINNING OF YEAR</b>					
As previously reported	\$ 128,204	\$ 25,000	\$ 55,113	\$ 208,317	\$ 200,828
Prior period adjustment (note 17)	<u>(36,201)</u>	<u>-</u>	<u>39,985</u>	<u>3,784</u>	<u>-</u>
As restated	92,003	25,000	95,108	212,111	200,828
Excess (deficiency) of revenues over expenditures	(20,310)	-	50,884	30,564	11,283
Investment in tangible capital assets	<u>35,231</u>	<u>-</u>	<u>(35,231)</u>	<u>-</u>	<u>-</u>
<b>NET ASSETS, END OF YEAR</b>	<b>\$ 106,924</b>	<b>\$ 25,000</b>	<b>\$ 110,741</b>	<b>\$ 242,665</b>	<b>\$ 212,111</b>

See accompanying notes

**HUBLE HOMESTEAD/GISCOME PORTAGE HERITAGE SOCIETY**  
**STATEMENT OF FINANCIAL POSITION**  
 As at December 31, 2022

	<u>2022</u>	<u>2021</u>
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash (note 3)	\$ 129,440	\$ 184,178
Accounts receivable	-	10,515
Inventory (note 4)	16,581	19,488
Prepaid expenses	1,217	2,311
Restricted cash (note 5)	58,231	58,087
GST receivable	<u>1,313</u>	<u>1,641</u>
	204,782	277,188
<b>TANGIBLE CAPITAL ASSETS (note 6)</b>	<u>143,588</u>	<u>131,988</u>
	<u>\$ 348,378</u>	<u>\$ 409,188</u>
<b>LIABILITIES</b>		
<b>CURRENT LIABILITIES</b>		
Accounts payable and accrued liabilities (note 7)	\$ 25,878	\$ 18,942
Unearned revenue	800	1,400
Deferred contributions (note 8)	<u>42,642</u>	<u>88,748</u>
	69,051	117,080
<b>LONG-TERM DEBT (note 9)</b>	-	40,000
<b>DEFERRED CAPITAL CONTRIBUTIONS (note 10)</b>	<u>38,862</u>	<u>39,886</u>
	105,713	197,085
<b>NET ASSETS</b>	<u>242,665</u>	<u>212,111</u>
	<u>\$ 348,378</u>	<u>\$ 409,188</u>
On behalf of the Board	_____ Member	_____ Member

See accompanying notes

**HUBLE HOMESTEAD/GISCOME PORTAGE HERITAGE SOCIETY**  
**STATEMENT OF CASH FLOWS**  
 For the year ended December 31, 2022

	<u>2022</u>	<u>2021</u>
<b>OPERATING ACTIVITIES</b>		
Excess of revenues over expenditures	\$ 30,554	\$ 11,283
Items not affecting cash		
Amortization	23,843	17,288
Amortization of deferred capital contributions	<u>(3,333)</u>	<u>-</u>
	50,864	28,571
<b>Change in non-cash working capital items</b>		
Accounts receivable	10,515	4,270
Inventory	2,885	(5,223)
Prepaid expenses	1,084	8,080
GST receivable	328	422
Accounts payable and accrued liabilities	8,867	(1,228)
Unearned revenue	(800)	(23)
Deferred contributions	<u>(58,108)</u>	<u>(31,656)</u>
	17,857	3,223
<b>INVESTING ACTIVITIES</b>		
Decrease in investments	-	25,000
Purchase of tangible capital assets	<u>(35,231)</u>	<u>(81,538)</u>
	<u>(35,231)</u>	<u>(36,538)</u>
<b>FINANCING ACTIVITY</b>		
Repayment of long-term debt	<u>(40,000)</u>	<u>-</u>
<b>DECREASE IN CASH</b>	<u>(57,574)</u>	<u>(33,313)</u>
<b>CASH, BEGINNING OF YEAR</b>	<u>243,245</u>	<u>276,558</u>
<b>CASH, END OF YEAR</b>	<u>\$ 185,671</u>	<u>\$ 243,245</u>
<b>CASH CONSISTS OF:</b>		
Cash	\$ 129,440	\$ 184,178
Restricted cash	<u>58,231</u>	<u>58,087</u>
	<u>\$ 185,671</u>	<u>\$ 243,245</u>

See accompanying notes

**HUBLE HOMESTEAD/GISCOME PORTAGE HERITAGE SOCIETY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the year ended December 31, 2022

**1. Nature of operations**

Huble Homestead/Giscome Portage Heritage Society (the "Society") was incorporated under the Societies Act of British Columbia, and is a registered charity exempt from income tax. On behalf of the Regional District of Fraser-Fort George (the "Regional District") the Society manages and maintains the Huble Homestead Historic Site at Giscome Portage Regional Park, near Prince George, B.C. The current service agreement is for a two-year term covering 2021 and 2022. As in prior years, generally, agreements require that the Society make provision for the upkeep and restoration of heritage buildings and structures. The Society is also responsible for artifacts on site, and for store operations, animal husbandry, and tours of facilities and the adjacent park. Ownership of major assets, except for artifacts and certain capital equipment (see Note 2), remains with the Regional District.

**2. Accounting policies**

The Society applies the Canadian accounting standards for not-for-profit organizations.

**(a) Revenue recognition**

The Society follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Endowment contributions are recognized as direct increases in net assets.

Restricted investment income is recognized as revenue in the year in which the related expenses are incurred. Unrestricted investment income is recognized as revenue when earned.

Externally restricted contributions for the purchase of tangible capital assets that will be amortized are recognized as deferred capital contributions and recognized as revenue on the same basis as the amortization expense related to the acquired tangible capital assets. Externally restricted contributions for the purchase of tangible capital assets that will not be amortized are recognized as direct increases in net assets to the investment in Capital Assets balance.

General store revenue is recognized when services are provided or products are received by customers, there is clear evidence that an arrangement exists, amounts are fixed and can be determined and the ability to collect is reasonably assured.

**(b) Cash and cash equivalents**

Cash and cash equivalents include cash and short-term investments with maturities of three months or less from their date of acquisition, which are readily convertible into a known amount of cash, and are subject to an insignificant risk to changes in their fair value.

**(c) Inventory**

Inventory is valued at the lower of cost and net realizable value. Cost is determined using the first-in, first-out method.

**HUBLE HOMESTEAD/GISCOME PORTAGE HERITAGE SOCIETY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the year ended December 31, 2022

**2. Accounting policies, continued**

**(d) Tangible capital assets**

Tangible capital assets are recorded at cost. The Society provides for amortization using the declining balance method at rates designed to amortize the cost of the tangible capital assets over their estimated useful lives. The annual amortization rate is as follows:

Computers, furniture and fixtures	20-40%
-----------------------------------	--------

Amortization of leasehold improvements is recorded over a term of 12 years as disclosed in Note 2(e).

Tangible capital assets are reviewed for impairment whenever events or changes in the circumstances indicate that the carrying value may not be recoverable. If the total of the estimated undiscounted future cash flows is less than the carrying value of the asset, an impairment loss is recognized for the excess of the carrying value over the fair value of the asset during the year the impairment occurs.

The estimated useful lives of assets are reviewed by management and adjusted if necessary.

**(e) Development costs**

Development projects comprise restoration and other work on heritage buildings and facilities which the Society has funded out of general revenues. As these assets belong to the Regional District, expenditures are expensed in the statement of operations, that is, unless they cover substantial additions or improvements to such assets, requiring that costs be capitalized as leasehold improvements and amortized over a 12 year period.

**(f) Artifacts and livestock**

Heritage furniture and effects at the site, including display tools and implements, are expensed when acquired. Livestock is on loan from patrons of the Society, which is responsible for feed and maintenance.

**(g) Financial instruments**

**(i) Measurement of financial instruments**

The Society initially measures its financial assets and financial liabilities at fair value adjusted by, in the case of a financial instrument that will not be measured subsequently at fair value, the amount of transaction costs directly attributable to the instrument.

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

Financial assets measured at amortized cost include cash, accounts receivable and GST receivable. Financial liabilities measured at amortized cost include accounts payable and accrued liabilities and long-term debt.

**HUBLE HOMESTEAD/GISCOME PORTAGE HERITAGE SOCIETY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
 For the year ended December 31, 2022

**2. Accounting policies, continued**

(g) Financial instruments, continued

(i) Impairment

Financial assets measured at amortized cost are tested for impairment when there are indicators of possible impairment. When a significant adverse change has occurred during the period in the expected timing or amount of future cash flows from the financial asset or group of assets, a write-down is recognized in net income. The write down reflects the difference between the carrying amount and the higher of:

- the present value of the cash flows expected to be generated by the asset or group of assets;
- the amount that could be realized by selling the assets or group of assets;
- the net realizable value of any collateral held to secure repayment of the assets or group of assets.

When the events occurring after the impairment confirm that a reversal is necessary, the reversal is recognized in net income up to the amount of the previously recognized impairment.

(h) Donated material and services

Donations in kind are recognized in the financial statements when a fair market value can be reasonably estimated and when the donated goods or services would have been otherwise purchased. Fair value is estimated using market or appraisal values at the date of the donation.

Volunteers contribute a valuable service to assist the Society in carrying out its activities. Because of the difficulty of determining their fair market value, contributed services are not recognized in the financial statements.

During the year, volunteers contributed 377.50 hours (2021 - 313 hours). Management believes they have an estimated overall value of \$7,490 (2021 - \$9,533) based on estimated rates extrapolated depending on the type of services performed.

(i) Use of estimates

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. By their nature, these estimates are subject to measurement uncertainty. The effect of changes in such estimates on the financial statements in future periods could be significant. Accounts specifically affected by estimates in these financial statements are the useful lives of tangible capital assets and the value of inventory.

**HUBLE HOMESTEAD/GISCOME PORTAGE HERITAGE SOCIETY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
 For the year ended December 31, 2022

**3. Cash**

	<u>2022</u>	<u>2021</u>
General accounts		
Prudy cash	\$ 127,069	\$ 181,814
Mastercard term deposit	<u>2,171</u>	<u>2,104</u>
	<u>\$ 129,240</u>	<u>\$ 183,918</u>

**4. Inventory**

	<u>2022</u>	<u>2021</u>
Candy	\$ 724	\$ 932
Food and beverage	80	144
Stare retail	1,780	2,078
Books	11,588	13,674
Promotional and other	<u>2,429</u>	<u>2,658</u>
	<u>\$ 16,591</u>	<u>\$ 19,486</u>

**5. Restricted cash**

	<u>2022</u>	<u>2021</u>
Gaming	\$ 31,231	\$ 34,087
Externally restricted	<u>25,000</u>	<u>25,000</u>
	<u>\$ 56,231</u>	<u>\$ 59,087</u>

The externally restricted cash balance is maintained in a savings account in the amount of \$28,018 of which \$25,000 is externally restricted as disclosed in Note 11.

The above gaming bank account is restricted as to use for the community gaming grant received from the Province of British Columbia, whereby of the \$51,000 of annual funding, \$44,000 is to be used for the community engagement program and \$7,000 is to be used for the education program.

**HUBLE HOMESTEAD/GISCOME PORTAGE HERITAGE SOCIETY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the year ended December 31, 2022

**6. Tangible capital assets**

	2022	2021
	Cost	Net
	Accumulated amortization	Net
Computers, furniture and fixtures, equipment	\$ 20,412	\$ 4,414
Leasehold improvements	20,278	127,584
	(130,637)	-
	<u>\$ 204,501</u>	<u>\$ 131,928</u>

**7. Accounts payable and accrued liabilities**

	2022	2021
Trade payables and accrued liabilities	\$ 20,000	\$ 10,080
Vacation payable	1,906	3,220
Wages payable	2,154	2,785
Source disbursements payable	734	-
Worksafe B.C.	807	888
	<u>\$ 25,801</u>	<u>\$ 16,942</u>

**8. Deferred contributions**

	2022	2021
Community gaming grant	\$ 31,231	\$ 37,500
Northern Health Imagine	886	1,183
RD Endowment funds	584	771
Province of BC	1,484	1,973
Memberships	10	45
Cultural Endowment	5,888	6,378
Fish camp grants	2,780	2,780
Enabling accessibility	-	48,140
	<u>\$ 42,842</u>	<u>\$ 98,748</u>

Deferred contributions consist of unspent contributions that are externally restricted. Recognition of these amounts as revenue is deferred to periods when the specified expenditures are made.

**HUBLE HOMESTEAD/GISCOME PORTAGE HERITAGE SOCIETY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the year ended December 31, 2022

**9. Long-term debt**

	2022	2021
Canada Emergency Business Account repaid	\$ -	\$ 40,000

**10. Deferred capital contributions**

	Balance, beginning of year	Recognized in revenue	Balance, end of year
Accessibility grant	\$ 30,865	\$ (3,233)	\$ 30,862
	<u>\$ 30,865</u>	<u>\$ (3,233)</u>	<u>\$ 30,862</u>

Deferred capital contributions are recognized as revenue on the same basis as the amortization expense related to the acquired tangible capital assets. The above contribution is amortized over 12 years to match the amortization of the related tangible capital assets.

**11. Net assets**

	2022	2021 (restated)
Unrestricted	\$ 110,741	\$ 95,108
Externally restricted net assets	25,000	25,000
Invested in tangible capital assets	108,924	92,003
	<u>\$ 244,665</u>	<u>\$ 212,111</u>

Externally restricted net assets consist of \$25,000 (2021 - \$25,000) representing an externally restricted capital reserve, which has been established to meet the requirements of the Regional District as mentioned in Note 1 above. Management has set aside a capital reserve, and cash allocated to fund it, in support of restoration costs and emergency expenditures on heritage assets that cannot be adequately met out of operating revenues for any one year. Transfers to and from the reserve are at the discretion of the Board provided that a cash deposit satisfactory to the Regional District is maintained.

Net assets invested in tangible capital assets is comprised of the following:

	2022	2021
Tangible capital assets	\$ 143,588	\$ 131,928
Deferred capital contributions	(30,862)	(30,865)
	<u>\$ 108,924</u>	<u>\$ 92,003</u>

**HUBLE HOMESTEAD/GISCOME PORTAGE HERITAGE SOCIETY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the year ended December 31, 2022

**12. Contributions**

During the year, volunteers contributed some 313 hours (2021 - 312) to the Society's many projects. As disclosed in Note 20), this amount is not recorded in the financial statements.

**13. Government assistance and grants**

During the year, the Society recognized \$M1 (2021 - \$17,474) in Canada Emergency Wage Subsidy (CEWS) as government assistance revenue. CEWS, introduced in response to the COVID-19 pandemic, provides eligible employers with a subsidy to cover a portion of wage costs paid to eligible employees during prescribed claim periods. There are no unfiled conditions related to amounts recognized. However, amounts claimed under this program are subject to valuation and detailed verification by the Federal Government. Due to the nature of the eligibility requirements and related calculations judgment is applied in assessing compliance, management believes there is reasonable assurance that the Society has complied with all conditions.

During the year, the Society received \$28,318 from the Canadian Museum assistance program for Covid-19. The Society has fulfilled all conditions related to this revenue.

During the year, the Society repaid its Canadian Emergency Business Account before the deadline of December 31, 2023 and as a result, it has met the requirements of the forgivable portion and has recorded \$10,000 of forgiveness revenue in government assistance revenue.

**14. Economic dependence**

The Society is economically dependent on the Regional District of Fraser Fort George for its continuance as an entity providing the level of services comparable to those currently undertaken. Operating revenue for 2022 has been received in the amount of \$205,000 (2021 - \$206,000).

**15. Financial instruments**

Transactions in financial instruments may result in an entity assuming or transferring to another party one or more of the financial risks described below. The required disclosures provide information that assists users of financial statements in assessing the extent of risk related to financial instruments.

(a) Liquidity risk

The Society does have a liquidity risk in the accounts payable and accrued liabilities of \$26,888 (2021 - \$16,942). Liquidity risk is the risk that the Society cannot repay its obligations when they become due to its creditors. The Society reduces its exposure to liquidity risk by ensuring that it documents when authorized payments become due; maintains adequate funds on hand to repay trade creditors and repays all liabilities as they become due. In the opinion of management the liquidity risk exposure to the Society is low and is not material.

**HUBLE HOMESTEAD/GISCOME PORTAGE HERITAGE SOCIETY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the year ended December 31, 2022

**16. Remuneration**

During the current and prior year, the Society did not pay salaries or compensation greater than \$75,000 to any one employee or contractor.

No remuneration was paid to any members of the Board of Directors.

**17. Prior period adjustment**

The comparative figures have been retroactively restated to reflect the correction of an error in the calculation of amortization of tangible capital assets, whereby some of the lessorhold improvements from 2021 were amortized using the declining balance method instead of the straight-line method as disclosed.

The deferred capital contributions were also not applied to the invested in tangible capital assets fund in 2021, so they have been retroactively restated to show as a reduction in the invested in tangible capital assets rather than unrestricted net assets.

The changes to the year ended December 31, 2021 are as follows:

	<u>2021</u>
Increase to tangible capital assets	\$ 3,704
Decrease to amortization expense	(3,704)
Increase to unrestricted net assets	38,985
Decrease to net assets invested in tangible capital assets	(38,985)

Opening net assets on January 1, 2022 have been increased by \$3,704.

**18. Comparative figures**

The financial statements have been restated, where applicable, to conform to the presentation used in the current year. The changes do not affect prior year excess of revenue over expenses.

**HUBLE HOMESTEAD/GISCOME PORTAGE HERITAGE SOCIETY**

SCHEDULE OF EXPENSES BY PROGRAM  
For the year ended December 31, 2022

Schedule 1

	2022	2021
<b>Administration</b>		
Insurance and licenses	\$ 2,280	\$ 2,157
Office expenses and miscellaneous	4,480	7,183
Office rent	5,271	5,321
Professional fees	28,948	10,588
Telephone and internet	1,513	1,188
Training	885	1,402
Travel	1,988	1,705
Wages and benefits	87,710	89,027
	<u>\$ 110,887</u>	<u>\$ 98,558</u>
<b>Amortization</b>	\$ 23,843	\$ 17,288
<b>Public Outreach</b>		
Advertising and gifts	\$ 3,101	\$ 4,287
Education	2,735	6,242
Events	5,758	6,631
Wages and benefits	107,534	112,488
	<u>\$ 119,128</u>	<u>\$ 129,628</u>
<b>Stiles Costs</b>		
Careaker	\$ 520	\$ 24,241
Exhibits and collections	2,128	585
General Store - cost of sales	14,311	18,255
Insurance	1,368	944
Propane	1,028	313
Repairs and maintenance	76,588	25,237
Wages and benefits	85,147	82,788
	<u>\$ 181,118</u>	<u>\$ 130,383</u>
	<u>\$ 414,784</u>	<u>\$ 375,859</u>

12-29 PM  
2023-01-23  
Annual Report

	31 Dec 23	31 Dec 21
<b>ASSETS</b>		
<b>Current Assets</b>		
Checking/Savings		
Checking	82,918.40	24,274.81
Sec 21 Temporary Reserve Fund	5,331.95	5,296.72
Sec 22 Working Reserve Fund	21,813.07	21,580.79
Petty Cash	100.00	100.00
Savings - Building Fund	66.07	0.00
Total Checking/Savings	59,917.49	51,181.43
<b>Other Current Assets</b>		
Capital Reserve	24,000.00	24,000.00
Total Other Current Assets	24,000.00	24,000.00
<b>Total Current Assets</b>	83,917.49	75,181.43
<b>Fixed Assets</b>		
Furniture and Equipment	7,046.87	7,046.87
Total Fixed Assets	7,046.87	7,046.87
<b>TOTAL ASSETS</b>	<u>91,011.16</u>	<u>82,277.80</u>
<b>LIABILITIES &amp; EQUITY</b>		
<b>Liabilities</b>		
Current Liabilities		
Other Current Liabilities		
PFR Payable (net)	9.90	9.90
Total Other Current Liabilities	9.90	9.90
<b>Total Current Liabilities</b>	9.90	9.90
<b>Equity</b>		
Operating Balance Equity	66,810.98	55,810.96
Unrestricted Net Assets	15,406.92	4,818.51
Net Income	8,786.64	10,598.41
Total Equity	91,004.54	82,217.90
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<u>91,011.16</u>	<u>82,277.80</u>

# Mackenzie & District Museum

12:33 PM  
2023-01-03  
Accrual Basis

	Jan - Dec 22	Budget
<b>Ordinary Income/Expense</b>		
<b>Income</b>		
Amts rec'd from Federal Govt	10,747.65	8,098.00
Amts rec'd from Municipal Govt	12,000.00	12,000.00
Amts rec'd from Regional Dist	54,000.00	39,000.00
Archival Income		
Digitizing / Scanning	0.00	0.00
Total Archival Income	0.00	0.00
Commission - PST	31.93	0.00
Donations		
Donations - Building Fund	60.00	
Donations - Corporate	1,850.00	3,000.00
Donations - Public / Admission	757.80	285.00
Total Donations	2,667.80	3,285.00
Gift Shop	626.91	875.00
Grants - Programs	0.00	0.00
Investments	37.60	250.00
Memberships - Public	670.00	720.00
Miscellaneous	0.00	0.00
Total Income	80,781.89	64,228.00
<b>Expense</b>		
Advertising	314.50	
Bank Service Charges	51.15	60.00
Business Licenses and Permits	283.26	150.00
Cleaning Supplies	38.49	60.00
Computer		
Computer Hardware	181.89	0.00
Computer Software	0.00	0.00
Total Computer	181.89	0.00
Contract Staff Wages	0.00	0.00
Cost of Goods Sold	-4.79	400.00
Curatorial Supplies	0.00	200.00
Dues & Memberships		
BC Historical Fed	0.00	67.00
BC Society Report	40.00	40.00
BCMA Membership	107.00	105.00
Canadian Museum Assoc.	100.00	100.00
Chamber Membership	77.00	77.00
Total Dues & Memberships	324.00	389.00
Freight	0.00	58.38
GST	552.92	240.00
Insurance	3,528.00	3,373.00
Internet	1,380.83	1,284.00
Maintenance	39.62	

12:33 PM  
2023-01-03  
Accrual Basis

<b>New Horizons / CNC</b>		
External Hard Drive	0.00	0.00
Incidentals & Supplies	0.00	0.00
Interviewer	0.00	0.00
Museum employee	0.00	0.00
Total New Horizons / CNC	0.00	0.00
Office Supplies	490.41	300.00
Postage	11.24	60.00
Professional Fees	7,465.00	
Promotion	430.70	300.00
PST	0.00	
Reference Collection	0.00	400.00
Security	360.00	360.00
Square Service Charges	4.68	60.00
Telephone Expense	850.13	900.00
Travel		
Training	71.77	
Total Travel	71.77	
Wages - Asst. Curator		
Benefits - C.P.P.	622.67	792.00
Benefits - E.I.	297.82	390.00
Benefits - Income Tax	2.65	0.00
Wages - Asst. Curator	11,148.80	17,832.00
Total Wages - Asst. Curator	12,071.94	19,014.00
Wages - Curator		
Benefits - C.P.P.	0.00	0.00
Benefits - E.I.	697.79	792.00
Benefits - Income Tax	10.50	0.00
Wages - Curator	31,541.74	35,660.00
Total Wages - Curator	32,250.03	36,452.00
Wages - Student		
Benefits - C.P.P.	524.73	496.00
Benefits - E.I.	230.42	224.00
Wages - Student	10,416.64	10,120.00
Total Wages - Student	11,171.79	10,840.00
Website	127.76	128.00
Total Expense	71,995.32	75,028.38
Net Ordinary Income	8,786.57	-10,800.38
Other Income/Expense		
Other Income		
Interest Income	0.07	
Total Other Income	0.07	
Net Other Income	0.07	
Net Income	<b>8,786.64</b>	<b>-10,800.38</b>

Valley Museum & Archives Society  
Income Statement: 01/01/2022 to 31/12/2022

REVENUE	
Sales Revenue	757.55
Sales	757.55
Real Estate	
Other Revenue	
Interest Revenue	11.40
Membership Fees	180.00
Workshop Fees	130.00
Miscellaneous Revenue	1,205.92
Donations	1,179.00
Total Other Revenue	3,006.32
Grants	
ROFPG Funding	38,000.00
HRDC - Summer Student Grant	3,756.00
Gaming Grant	27,000.00
Canadian Heritage Grant GENERAL	15,050.00
Canadian Heritage Grant - DIGITAL	11,382.00
Miscellaneous Grants	1,000.00
Total Grants	97,188.00
<b>TOTAL REVENUE</b>	<b>100,951.87</b>

EXPENSE	
Cost of Goods Sold	
Membership Expenses	1,673.76
Subscriptions	3,021.59
Purchases	
Net Purchases	1,910.17
Freight Expense	240.26
Total Cost of Goods Sold	6,845.78
Payroll Expense	
Wages & Salaries	38,294.82
EI Expense	867.61
CPP Expense	1,911.41
WCB Expense	281.23
Total Payroll Expense	43,255.17

General & Administrative Expenses	
Accounting & Legal	2,635.00
Advertising, Marketing & Promotions	725.48
Business Fees & Licenses	846.00
Website Expenses	290.36
Tech Support	225.00
Event Expenses	2,265.21
Credit Card Charges	182.47
Museum Store & Display Materials	1,426.96
Insurance	2,972.00
Interest & Bank Charges	160.66
Interest (Non-Deductible)	33.03
Office Supplies	4,203.41
Property Taxes	1,365.25
Travel/Professional Development	981.02
Repair & Maint. - Bldg and Grounds	256.35
Lease Maintenance and Snow Removal	171.19
Supplies Expense	163.26
Telephone/Internet	1,736.20
Toward & Entertainment	576.32
Utilities-Hydr	2,032.88

Printed On: 2/28/2023

Valley Museum & Archives Society  
Income Statement: 01/01/2022 to 31/12/2022

Utilities-Store, Water and Garbage	754.16
Other Credit Card Commissions	0.30
Total Credit Card Commissions	24,231.12
Total General & Admin. Expenses	75,368.07
<b>TOTAL EXPENSE</b>	<b>75,368.07</b>
<b>NET INCOME</b>	<b>25,583.80</b>

Printed On: 2/28/2023

Whistle Stop Financials 2022

name	revenue	expense	details
Reserve TR	Transferred from reserves	\$8,726.20	
RDFFG	Grant	\$44,000.00	
Sales	Sales	\$62,828.63	
Shipping	Shipping	\$5.35	
Donations	Donation	\$30.60	
Membership Dues	Membership Dues	\$2,265.00	
VC Proj	VC Proj	\$30,500.00	
CSJ	Canada Summer Jobs	\$25,457.00	
Janitorial	Janitorial	\$4,200.00	
Proj Fund	Proj Fund	\$1,317.50	
Artists	Artists	\$42,452.26	
Projects	Whislp	\$27.07	
BANK	Scotiabank Fees	\$885.03	
VISA/MC	VISA/MC FEES	\$2,204.78	
Insurance	Insurance	\$1,810.00	D&O, CGL
WAGES/Merch	Wages/Merch	\$113,437.89	* See notes below
Bus Lic	Business License	\$100.00	
Chamber	Chamber Membr	\$75.00	
Advertising	Advertising	\$2,191.24	LMP, Mapbook,
Postage	Postage	\$149.00	
Rent	Rent	\$7,600.00	
Office Supply	Office Supply	\$750.31	
Phone/Int	Phone/Int	\$2,844.93	
Repairs/purchases	Repairs/purchases	\$343.23	
WCB	WCB	\$325.47	
MISC	MISC	\$94.35	alarm monitoring
Website	Website	\$3,839.04	
<b>totals</b>		<b>\$179,330.28</b>	<b>\$179,330.28</b>
<b>RB</b>	<b>RESERVE BALANCE</b>	<b>\$3,378.23</b>	<b>*Retirement Payout, Summer Students, supplemental staffing</b>

Valmeadow Historic Society  
Balance Sheet As at 12/31/2022

<b>ASSET</b>	
Current Assets	
Cash	200.00
Bank - CIBC 8224718	49,049.92
<b>TOTAL CASH</b>	<u>49,249.92</u>
GIC - Contingency Fund	33,762.10
GST Refunds Receivable	550.90
Misc Retail Inventory	627.00
Books Inventory	7,413.00
Total Inventory	8,040.00
<b>TOTAL CURRENT ASSETS</b>	<u>91,602.92</u>
<b>CAPITAL ASSETS</b>	
Equipment - Class 8	12,355.89
Accumulated Depreciation - Equip	-8,770.57
Net Furniture & Shelving	3,585.32
Computer equipment	10,698.99
Accumulated Depreciation - Computer	-7,810.56
Net Computer Equipment	2,888.43
<b>TOTAL CAPITAL ASSETS</b>	<u>6,473.65</u>
<b>TOTAL ASSET</b>	<u>98,076.57</u>
<b>LIABILITY</b>	
Current Liabilities	
Rec Gen Payable	-4,433.99
Receiver General Payable	-4,433.99
<b>TOTAL CURRENT LIABILITIES</b>	<u>-8,867.98</u>
<b>TOTAL LIABILITY</b>	<u>-8,867.98</u>
<b>EQUITY</b>	
Earnings	
Retained Earnings	102,569.87
Current Earnings	-59.31
<b>TOTAL EARNINGS</b>	<u>102,510.56</u>
<b>TOTAL EQUITY</b>	<u>102,510.56</u>
<b>LIABILITIES AND EQUITY</b>	<u>98,076.57</u>

Valmeadow Historic Society  
Income Statement 01/01/2022 to 12/31/2022

<b>REVENUE</b>		
Memberships		120.00
Books	2,392.26	
Misc. Retail	523.80	
<b>RETAIL SALES - TOTAL</b>	<u>2,916.06</u>	
Photos from Archives		42.00
Admissions	3,756.10	
<b>ADMISSION-DONATION TOTAL</b>	<u>3,756.10</u>	
Regional District Grant	43,000.00	
<b>GRANTS - TOTAL</b>	<u>43,000.00</u>	
<b>BANK INTEREST</b>	<u>445.05</u>	
<b>TOTAL REVENUE</b>	<u>50,279.21</u>	
<b>EXPENSES</b>		
Bank Charges & Interest		59.45
Office Supplies		1,108.47
Insurance		3,749.00
Accounting / Legal		1,982.09
Advertising		683.57
Books	2,606.83	
Misc Retail	1,298.68	
Gift Shop Purchases		3,905.51
Dues and memberships		277.86
Delivery & Freight		57.39
Fundraising costs		25.00
Electricity	414.69	
Telephone	1,737.63	
<b>UTILITIES - TOTAL</b>	<u>2,151.72</u>	
Repair & Maintenance		2,190.91
Displays - regular	471.37	
<b>DISPLAYS - Total</b>	<u>471.37</u>	
Wages and Salaries	18,620.72	
CPP Expense	887.48	
EI Expense	411.87	
Worker's Compensation	138.95	
<b>STAFF COSTS</b>	<u>20,059.02</u>	
Administration - CONTRACT		9,190.66
Depreciation Expense		4,426.50
<b>TOTAL EXPENSES</b>	<u>50,338.52</u>	
<b>NET INCOME</b>	<u>-59.31</u>	





**REGIONAL DISTRICT**  
**of Fraser-Fort George**

155 GEORGE STREET, PRINCE GEORGE BC V2L 1P8 Toll Free 1-800-667-1959 Phone 250-960-4400

**[www.rdffg.bc.ca](http://www.rdffg.bc.ca)**