

Gibsons Community Building Society

Non-consolidated Financial Statements

(Unaudited)

December 31, 2025

Gibsons Community Building Society
Non-consolidated Table of Contents

(Unaudited)

December 31, 2025

	Page
Independent Practitioner's Review Engagement Report	2
Non-Consolidated Statement of Operations and Changes in Fund Balances	3 - 4
Non-Consolidated Statement of Financial Position	5 - 6
Non-Consolidated Statement of Cash Flows	7 - 8
Notes to the Non-Consolidated Financial Statements	9 - 22

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Independent Practitioner's Review Engagement Report

To the Members of Gibsons Community Building Society

We have reviewed the accompanying non-consolidated financial statements of Gibsons Community Building Society (the "Society"), which comprise the non-consolidated statement of financial position as at December 31, 2025, and the non-consolidated statement of operations and changes in fund balances and non-consolidated statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Non-consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these non-consolidated 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 non-consolidated 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 non-consolidated 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 non-consolidated financial statements.

Conclusion

Based on our review nothing has come to our attention that causes us to believe that the non-consolidated financial statements do not present fairly, in all material respects, the financial position of Gibsons Community Building Society as at December 31, 2025, and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

**Sechelt, Canada
April 28, 2026**

Crowe MacKay LLP

Chartered Professional Accountants

Gibsons Community Building Society
Non-Consolidated Statement of Operations and Changes in Fund Balances

(Unaudited)

For the year ended December 31	Operating Fund	Capital Development Fund	2025	2024
Revenues				
Donations	\$ 51,891	\$ 265,165	\$ 317,056	\$ 99,422
Fundraising	186,928	-	186,928	160,551
In-kind donations	50,873	-	50,873	47,766
Grants	52,301	-	52,301	19,005
Memberships	6,034	-	6,034	3,995
Programs and events	159,576	-	159,576	86,008
Interest income	-	-	-	4,197
Rental (Note 19)	331,740	-	331,740	303,393
	839,343	265,165	1,104,508	724,337
Expenditures				
Advertising and promotion	11,660	-	11,660	11,485
Amortization	54,534	135,224	189,758	187,716
Building maintenance	92,956	-	92,956	86,426
Fundraising	74,434	-	74,434	62,598
Insurance	19,568	-	19,568	21,497
Interest and bank charges	16,813	48,285	65,098	61,070
Office and administration	14,569	-	14,569	19,414
Production and event costs	63,281	-	63,281	44,482
Professional fees	20,750	-	20,750	29,566
Property taxes	22,540	-	22,540	22,404
Rent (Note 19)	2	-	2	1
Salaries and related benefits (Notes 15 & 19)	483,111	-	483,111	397,820
Telephone and utilities	44,611	-	44,611	45,998
	918,829	183,509	1,102,338	990,477
Excess (deficiency) of revenue over expenditures before other income (expense)	(79,486)	81,656	2,170	(266,140)

Gibsons Community Building Society
Non-Consolidated Statement of Operations and Changes in Fund Balances

(Unaudited)

For the year ended December 31	Operating Fund	Capital Development Fund	2025	2024
Other income (expense)				
Interest income (Note 19)	9,966	-	9,966	5,814
Writedown of related party receivable (Note 19)	(167,036)	-	(167,036)	-
	(157,070)	-	(157,070)	5,814
(Deficiency) excess of revenue over expenditures	(236,556)	81,656	(154,900)	(260,326)
Fund balances, beginning of year	555,020	2,064,075	2,619,095	2,879,421
Interfund transfer (Note 14)	(73,087)	73,087	-	-
Fund balances, end of year	\$ 245,377	\$ 2,218,818	\$ 2,464,195	\$ 2,619,095

Gibsons Community Building Society
Non-Consolidated Statement of Financial Position

(Unaudited)

December 31	Operating Fund	Capital Development Fund	2025	2024
Assets				
Current				
Cash	\$ 27,342	\$ -	\$ 27,342	\$ 4,674
Restricted cash (Note 3)	11,156	-	11,156	821
Accounts receivable	6,891	-	6,891	7,518
Contributions receivable (Note 4)	675	31,788	32,463	14,700
Prepaid expenses and deposits	3,237	-	3,237	2,557
Interfund receivable (Note 14)	-	70,000	-	-
	49,301	101,788	81,089	30,270
Investment in subsidiary (Note 5)	-	300,000	300,000	300,000
Tangible capital assets (Note 7)	655,788	2,521,469	3,177,257	3,337,607
Intangible assets (Note 8)	930	-	930	2,790
Due from related parties (Note 6)	14,410	-	14,410	103,207
	\$ 720,429	\$ 2,923,257	\$ 3,573,686	\$ 3,773,874

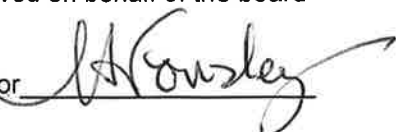
Gibsons Community Building Society
Non-Consolidated Statement of Financial Position

(Unaudited)

December 31	Operating Fund	Capital Development Fund	2025	2024
Liabilities				
Current				
Bank indebtedness (Note 9)	\$ 148,613	\$ -	\$ 148,613	\$ 77,015
Accounts payable and accrued liabilities	57,969	-	57,969	42,467
Government remittances (Note 10)	4,837	-	4,837	3,754
Unearned revenue (Note 11)	20,957	-	20,957	20,758
Current portion of deferred contributions (Note 12)	91,474	-	91,474	25,414
Current portion of loans payable (Note 13)	-	99,045	99,045	97,666
Interfund payable (Note 14)	70,000	-	-	-
	393,850	99,045	422,895	267,074
Loans payable (Note 13)	5,000	605,394	610,394	809,052
Unearned revenue (Note 11)	4,775	-	4,775	8,603
Deferred contributions (Note 12)	71,427	-	71,427	70,050
	475,052	704,439	1,109,491	1,154,779
Fund balances				
Unrestricted	(332,413)	-	(332,413)	(52,961)
Restricted	-	401,789	401,789	314,100
Invested in tangible capital assets	577,790	1,817,029	2,394,819	2,357,956
	245,377	2,218,818	2,464,195	2,619,095
	\$ 720,429	\$ 2,923,257	\$ 3,573,686	\$ 3,773,874

Commitments (Note 17)

Approved on behalf of the board

Director 

Director 

Gibsons Community Building Society
Non-Consolidated Statement of Cash Flows

(Unaudited)

For the year ended December 31	2025	2024
Operating activities		
Deficiency of revenue over expenditures	\$ (154,900)	\$ (260,326)
Adjustments for		
Amortization	189,758	187,716
Writedown of related party receivable	167,036	-
Total adjustments	356,794	187,716
	201,894	(72,610)
Change in non-cash working capital items		
Accounts receivable	627	11,186
Contributions receivable	(17,763)	55,310
Prepaid expenses and deposits	(680)	12,804
Accounts payable and accrued liabilities	15,501	20,094
Government remittances	1,083	865
Unearned revenue	(3,629)	16,685
Deferred contributions	57,827	(4,577)
	254,860	39,757
Investing activities		
Purchase of tangible capital assets	(20,438)	(5,096)
Proceeds on disposal of tangible capital assets	2,500	-
Expenditures on deferred development costs	-	(247,245)
Proceeds from term deposits	-	305,153
Advances to related parties	(78,239)	(52,252)
	(96,177)	560
Financing activities		
Repayment of loans payable	(202,278)	(38,490)
Proceeds of loans payable	5,000	-
	(197,278)	(38,490)
(Decrease) increase in cash	(38,595)	1,827
Bank indebtedness, beginning of year	(71,520)	(73,347)
Bank indebtedness, end of year	\$ (110,115)	\$ (71,520)

Gibsons Community Building Society
Non-Consolidated Statement of Cash Flows

(Unaudited)

For the year ended December 31	2025	2024
Cash consists of:		
Bank indebtedness	\$ (148,613)	\$ (77,015)
Cash	27,342	4,674
Restricted cash	11,156	821
	\$ (110,115)	\$ (71,520)
Non-cash transactions		
In-kind donations	\$ 50,873	\$ 47,766
Capitalization of deferred development costs as tangible capital assets	-	383,121
In-kind tangible capital asset contributions	9,610	-
	\$ 60,483	\$ 430,887

Gibsons Community Building Society

Notes to the Non-Consolidated Financial Statements

(Unaudited)

December 31, 2025

1. Nature of operations

Gibsons Community Building Society (the "Society") is a not-for-profit organization incorporated provincially under the Society Act of British Columbia on December 17, 2013.

The Society's mission is to build a healthy, caring and thriving community through vibrant community events, programs, public gathering spaces, a bustling local market, and an inspiring collect-and-release aquarium. The Society operates the Gibsons Public Market and is the sole member of the BlueAct Marine Society.

As at December 31, 2025, the Society's capital development fund had net assets of \$2,218,818 (2024 - \$2,064,075) and an excess (deficiency) of revenue over expenditures of \$81,656 (2024 - \$(140,145)) for the year then ended.

2. Significant accounting policies

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

(a) Cash and cash equivalents

Cash and cash equivalents include cash on hand, restricted cash, demand deposits, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the balance sheet.

(b) Fund accounting

The Society maintains its accounts in accordance with the principles of fund accounting and uses the restricted fund method of accounting for contributions.

Revenue and expenditures for operations of the Society, for maintenance of the building, and for tangible capital assets purchased since the original development are reported in the Operating Fund.

Revenue, expenditures, assets and liabilities related to the original development of Gibsons Public Market including certain equipment related to the NSTA and the related financing of the development, are reported in the Capital Development Fund.

Gibsons Community Building Society
Notes to the Non-Consolidated Financial Statements

December 31, 2025

(Unaudited)

2. Significant accounting policies, continued

(c) Revenue recognition

The Society records rental revenue on a monthly basis as per the rental agreements.

Donations, grants, and pledges are recognized in revenue when the amount is measurable and collection is reasonably assured. Restricted contributions made to funds other than the Operating Fund are recognized when the collectibility is assured. Restricted contributions made to the Operating Fund are deferred and recognized when the related expenditures are made.

Fundraising revenue is earned from events such as galas and auction, for which community members purchase tickets to attend. Fundraising revenue is deferred until the event has taken place, at which time the performance obligation of hosting the event is satisfied.

Membership revenue is earned by selling non-refundable memberships to the Public Market which allows the members to have discounted access to Nicholas Sonntag Tidepools Aquarium, Gibsons Public Market venue rentals, and deals from merchants. Revenue is deferred and recognized on an annual basis over the life of the membership.

Program and events revenue is recognized once the program has been fulfilled or event has taken place.

(d) Tangible capital assets

Tangible capital assets are recorded at cost. The Society provides for amortization using the following methods at rates designed to amortize the cost of the tangible capital assets over their estimated useful lives. The annual amortization rates and methods are as follows:

Assets under development are not amortized until complete and put into use.

Building	Declining balance	28.25 years
Kitchen equipment	Straight-line	10 years
Furniture and equipment	Straight-line	10 years
Equipment - NSTA	Straight-line	20 years
Building - additions	Straight-line	28.25 years
Equipment - additions	Declining balance	20 years
Landscaping	Straight-line	5 years
Leasehold improvements - park	Straight-line	28.25 years
Structures and other	Straight-line	10 years

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.

Gibsons Community Building Society
Notes to the Non-Consolidated Financial Statements

December 31, 2025

(Unaudited)

2. Significant accounting policies, continued

(e) Intangible assets

Intangible assets are recorded at cost. The Society provides for amortization using the straight line method at rates designed to amortize the cost of the intangible assets over their estimated useful lives. The annual amortization rate is over 5 years for website development costs.

(f) Intangible assets - cloud computing arrangements

The Society applies the simplification method to expenditures in a cloud computing arrangement that fall within the scope of AcG-20, Customer's Accounting for Cloud Computing Arrangements. Under this method, expenditures are treated as a supply of services and recognized as an expense when the company receives the service. Expenditures related to implementation activities are expensed as incurred.

(g) Donated goods and services

In-kind donations of materials and services are recognized in the financial statements at fair value at the date of contribution, but only when a fair value can be reasonably estimated and when the materials and services are used in the normal course of operations, and would otherwise have been purchased.

Time contributed by volunteers is not reflected in these financial statements.

(h) Income taxes

The Society is exempt from income taxes under section 149(1) of the *Income Tax Act*.

(i) Investments

The Society follows the cost method of accounting for its investments, written down for any permanent impairment in value.

(j) Controlled society

BlueAct Marine Society (formerly Gibsons Marine Education Centre Society), which is controlled by the Society, is not consolidated in the Society's financial statements. The investment cost of the initial set up of BlueAct Marine Society was \$nil.

Gibsons Community Building Society
Notes to the Non-Consolidated Financial Statements

December 31, 2025

(Unaudited)

2. Significant accounting policies, continued

(k) Government assistance

The Society periodically applies for financial assistance under available government incentive programs.

Government assistance relating to capital expenditures is deferred and amortized on the same basis as the related assets. Government assistance relating to expenses of the period is recorded as a reduction of current year expenses when the related expenditures are incurred.

(l) Use of estimates

The preparation of financial statements in conformity with Canadian generally accepted accounting principals requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities as at the dates of the financial statements and the reported amount of revenues and expenses during the reporting period. Significant items subject to such estimates and assumptions include useful life of tangible capital assets. Actual results could differ from those estimates.

Gibsons Community Building Society
Notes to the Non-Consolidated Financial Statements

December 31, 2025

(Unaudited)

2. Significant accounting policies, continued

(m) Financial instruments

Initial measurement

Financial assets originated or acquired or financial liabilities issued or assumed in an arm's length transaction are initially measured at their fair value. In the case of a financial asset or financial liability not subsequently measured at its fair value, the initial fair value is adjusted for financing fees and transaction costs that are directly attributable to its origination, acquisition, issuance or assumption. Such fees and costs in respect of financial assets and liabilities subsequently measured at fair value are expensed.

Financial assets or liabilities originated or exchanged in related party transactions except for those that involve parties whose sole relationship with the Society is in the capacity of management, are initially measured at cost. The cost of a financial instrument in a related party transaction depends on whether the instrument has repayment terms. If the instrument does, the cost is determined using the instruments undiscounted cash flows, excluding interest and dividend payments, less any impairment losses previously recognized by the transferor. Otherwise cost is determined using the considered transferred or received by the Society in the transaction.

Transactions, with parties whose sole relationship with the Society is in the capacity of management, are accounted for as arm's length transactions.

Subsequent measurement

The Society subsequently measures all its financial assets and financial liabilities at amortized cost, except for investments in debt instruments, equity instruments and forward exchange contracts that are quoted in an active market, which are measured at fair value without any adjustment for transaction costs. Changes in fair value are recognized in net income in the period in which they occur.

Financial assets measured at amortized cost include cash, restricted cash, and accounts receivable. Amounts due from related parties are measured at cost less impairment.

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

The Society subsequently measures no financial assets and financial liabilities at fair value, without adjustment for transaction costs and with changes in fair value recognized in operations in the period in which they occur.

Transaction costs

Transaction costs attributable to financial instruments subsequently measured at fair value and to those originated or exchanged in a related party transaction are recognized in income in the period incurred. Transaction cost for financial instruments originated or exchanged in an arm's length transaction that are subsequently measured at amortized cost are recognized in the original cost of the instrument and recognized in income over the life of the instrument using the straight-line method.

Gibsons Community Building Society
Notes to the Non-Consolidated Financial Statements

December 31, 2025

(Unaudited)

2. Significant accounting policies, continued

Impairment

At the end of each reporting period, management assesses whether there are any indications that financial assets measured at cost or amortized cost may be impaired. If there is an indication of impairment, management determines whether a significant adverse change has occurred in the expected timing or the amount of future cash flows from the asset, in which case the asset's carrying amount is reduced to the highest expected value that is recoverable by either holding the asset, selling the asset or by exercising the right to any collateral. The carrying amount of the asset is reduced directly or through the use of an allowance account and the amount of the reduction is recognized as an impairment loss in operations. Previously recognized impairment losses may be reversed to the extent of any improvement. The amount of the reversal, to a maximum of the related accumulated impairment charges recorded in respect of the particular asset, is recognized in operations.

3. Restricted cash

Cash designated for specific purposes is segregated as follows:

	2025	2024
Gaming account	\$ 11,156	\$ 821

4. Contributions receivable

Contributions receivable consist of pledges from donors. All pledges are recorded as contributions receivable when the amounts are measurable and collection is reasonably assured.

The pledged amounts recognized as revenue during the year were \$31,787 (2024 - \$14,100).

5. Investment in subsidiary

The Society owns 300,000 Class A voting, common shares of 0987152 BC Ltd., representing 66.7% of the issued and outstanding shares of the company. 0987152 BC Ltd. owns 61% of the land where the Gibsons Public Market is located.

	2025	2024
0987152 BC Ltd.	\$ 300,000	\$ 300,000

Gibsons Community Building Society
Notes to the Non-Consolidated Financial Statements

December 31, 2025

(Unaudited)

6. Due from related parties

The Society is related to 0987152 BC Ltd. as the Society has a controlling interest in 0987152 BC Ltd.

The Society is related to BlueAct Marine Society as the Society is the sole member of BlueAct Marine Society.

	2025	2024
0987152 BC Ltd.	\$ 9,628	\$ 8,054
BlueAct Marine Society	4,782	95,153
	\$ 14,410	\$ 103,207

The advance to 0987152 BC Ltd. is unsecured, non-interest bearing and due on demand.

The advance to BlueAct Marine Society is unsecured, bears interest at the same rate as the credit union line of credit prime plus 1.20% (2024 - prime plus 1.20%) and is due on demand. The cumulative amount of debt forgiven for BlueAct Marine Society is \$382,076 (2024 - \$215,040).

7. Tangible capital assets

	Cost	Accumulated amortization	2025 Net Book Value	2024 Net Book Value
Building	\$ 3,440,525	\$ 1,075,798	\$ 2,364,727	\$ 2,486,515
Building - additions	315,606	78,177	237,429	248,677
Equipment - NSTA	268,701	111,959	156,742	170,178
Equipment - additions	4,778	1,792	2,986	3,225
Furniture and equipment	183,406	137,437	45,969	33,344
Kitchen equipment	81,753	61,614	20,139	28,248
Landscaping	21,009	4,201	16,808	18,908
Leasehold improvements - park	137,002	4,894	132,108	137,033
Structures and other	222,609	22,260	200,349	211,479
	\$ 4,675,389	\$ 1,498,132	\$ 3,177,257	\$ 3,337,607

Gibsons Community Building Society
Notes to the Non-Consolidated Financial Statements

December 31, 2025

(Unaudited)

8. Intangible assets

Costs are amortized on a straight-line basis over an estimated five-year useful life beginning once the website is completed.

	2025	2024
Website development costs	\$ 9,300	\$ 9,300
Accumulated amortization	(8,370)	(6,510)
	\$ 930	\$ 2,790

9. Bank indebtedness

The Society has a line of credit of \$500,000 with the Sunshine Coast Credit Union, interest only payable monthly, bearing interest at prime plus 1.20% (2024 - prime plus 1.20%). The line of credit is repayable on demand and is secured by the land held by 0987152 BC Ltd. and leasehold improvements and BlueAct Marine Society assets with a net book value of \$3,053,821 (2024 - \$3,175,803).

10. Government remittances

	2025	2024
WCB payable	\$ 566	\$ 473
PST payable	2,777	781
GST payable	871	1,858
Payroll remittances	623	642
	\$ 4,837	\$ 3,754

11. Unearned revenue

Unearned revenue consists of rent prepaid by Society's tenants, deposits on room rental for events and membership revenue received in advance. Amounts are classified as current and non-current based on the terms of the rental agreements.

Gibsons Community Building Society
Notes to the Non-Consolidated Financial Statements

December 31, 2025

(Unaudited)

12. Deferred contributions

Deferred restricted contributions consist of contributions restricted for specific purposes and are as follows:

	2025	2024
Deferred contributions balance, beginning of year	\$ 95,464	\$ 100,041
Add: contributions received during the year	136,467	55,425
Less: contributions recognized as income during the year	(69,030)	(60,002)
Deferred contributions balance, end of year	\$ 162,901	\$ 95,464

	2025	2024
Baffling, Island Coastal Economic Trust	\$ 10,179	\$ 10,617
Services and equipment, Telus Communications Inc.	8,877	223
Oven, New Horizon	7,947	9,082
Heat pump, Rural Economic Diversification and Infrastructure Program	48,181	50,090
New Horizons for Seniors Program	1,085	12,167
Website, Alacrity	-	1,500
Zipursky bursary	3,137	6,046
Placemaking bursary	-	1,528
Irrigation System, University Sprinklers	3,743	4,211
REDIP GPM – Commercial and Community Kitchen Upgrades, Province of British Columbia	69,962	-
Gaming account, Province of British Columbia	5,500	-
Waste Reduction Initiatives Program, Sunshine Coast Regional District	4,290	-
	\$ 162,901	\$ 95,464

	2025	2024
Total deferred contributions	\$ 162,901	\$ 95,464
Less current portion	(91,474)	(25,414)
Long-term portion	\$ 71,427	\$ 70,050

Gibsons Community Building Society
Notes to the Non-Consolidated Financial Statements

December 31, 2025

(Unaudited)

13. Loans payable

	2025	2024
Community Futures of the Sunshine Coast loan bearing interest at prime+2% or 6.7% (2024 - 4.7%) per annum, with monthly payments of \$919 (2024 - \$837), secured by 80,000 Class A shares in 0987152 BC Ltd., with no maturity date, repayable on demand	\$ 38,601	\$ 44,616
Community Futures of the Sunshine Coast loan bearing interest at prime+2% or 6.7% (2024 - 4.5%) per annum, unsecured, with monthly payments of \$568 (2024 - \$518), with no maturity, repayable on demand	22,106	25,970
Sunshine Coast Credit Union mortgage bearing interest at 5.70% per annum, secured by the land owned by 0987152 BC Ltd. and Gibsons Public Market with a net book value of \$2,521,469 (2024 - \$2,656,693), payable in blended monthly payments of interest and principal of \$6,170 up until the mortgage renewal date of December 19, 2027	643,730	836,132
Private loan, non-interest bearing and unsecured, with no scheduled principal repayments and repayable in a single lump-sum payment of \$5,000 at maturity on September 1, 2028	5,000	-
	709,439	906,718
Less current portion	99,045	97,666
Due beyond one year	\$ 610,394	\$ 809,052
Estimated principal re-payments are as follows:		
2026	\$ 99,045	
2027	40,652	
2028	47,895	
2029	44,763	
2030 and subsequent	477,084	
	\$ 709,439	

Gibsons Community Building Society
Notes to the Non-Consolidated Financial Statements

December 31, 2025

(Unaudited)

14. Interfund transfers and balances

During the year, amounts of \$73,087 (2024 - \$21,461) related to debt repayments were transferred from the Operating Fund to the Capital Development Fund.

As at December 31, 2025, the Operating Fund had an interfund payable of \$70,000 to the Capital Development Fund (2024 - \$nil).

15. Management remuneration

During the year, the Society paid \$205,047 to two individuals (2024 - \$201,036 to two individuals). The Society paid no compensation to any Directors of the Society during the year.

16. Cloud computing arrangements

During the year, the Society expensed \$5,959 (2024 - \$5,874) with respect to cloud computing arrangements, which is included in the following accounts:

Fundraising expenses \$1,138 (2024 - \$991)

Office and administration expenses \$4,821 (2024 - \$4,883)

17. Commitments

The Society is party to a lease with 0987182 BC Ltd. for the land where the Gibsons Public Market is located whereby rent of \$1 per year is paid. The lease expires on May 31, 2045 with a 20 year extension option.

The Society is party to a lease with the Town of Gibsons for parking where the Gibsons Public Market is located whereby rent of \$1 per term is paid. The lease expires on May 31, 2045 with a 20 year extension option. During the year, the lease was amended to permit the addition of a park and play centre and includes a one-time charge of \$1 paid in 2025. In connection with this amendment, the Society entered into an Encroachment Agreement with the Town of Gibsons for use of a portion of the Bay Road right-of-way for a playground. The terms of the Encroachment Agreement mirror those of the lease.

Gibsons Community Building Society
Notes to the Non-Consolidated Financial Statements

December 31, 2025

(Unaudited)

18. Controlled society

BlueAct Marine Society is controlled by the Gibsons Community Building Society since the Gibsons Community Building Society is the only member of the BlueAct Marine Society and appoints its directors and management.

BlueAct Marine Society (previously Gibsons Marine Education Centre Society), which was created to operate the Nicholas Sonntag TidePools Aquarium, is incorporated under the Societies Act of British Columbia.

The summary financial statements of the BlueAct Marine Society are as follows:

	2025	2024
Statement of financial position		
Assets	\$ 111,364	\$ 111,557
Liabilities	89,870	166,712
Net assets	21,494	(55,155)
Statement of operations		
Revenues	513,020	519,839
Expenditures	603,407	600,061
Debt forgiveness	167,036	-
Excess (deficiency) of revenues over expenditures	76,649	(80,222)
Statement of cash flows		
Operating activities	(53,377)	(65,258)
Investing activities	-	(8,635)
Financing activities	\$ 76,666	\$ 50,853

Gibsons Community Building Society
Notes to the Non-Consolidated Financial Statements

December 31, 2025

(Unaudited)

19. Related party transactions

The Society is related to the BlueAct Marine Society as the Gibsons Community Building Society is the sole member of, and exercises control over, the BlueAct Marine Society.

Transactions with related parties are as follows:

	2025	2024
Revenue		
Rent - BlueAct Marine Society	\$ 54,732	\$ 52,431
Coastal room program rental - BlueAct Marine Society	3,935	5,907
Interest income - BlueAct Marine Society	9,966	5,814
	\$ 68,633	\$ 64,152
Expenses		
Rent - 0987152 BC Ltd.	\$ 1	\$ 1
Cost recovery - service agreements, salaries and benefits - BlueAct Marine Society	(79,140)	(77,304)
	\$ (79,139)	\$ (77,303)
Other income (expense)		
Writedown of related party receivable - BlueAct Marine Society	\$ (167,036)	\$ -
	\$ (167,036)	\$ -

These transactions are in the normal course of operations and have been valued in these financial statements at the exchange amount which is the amount of consideration established and agreed to by the related parties.

20. 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 non-consolidated financial statements in assessing the extent of risk related to financial instruments.

Gibsons Community Building Society
Notes to the Non-Consolidated Financial Statements

December 31, 2025

(Unaudited)

(a) Credit risk

The Society is subject to credit risk in accounts receivable and contributions receivable of \$39,354 (2024 - \$22,218). Credit risk is the risk that one party to a transaction will fail to discharge an obligation. The Society keeps in regular contact with its contributors and updates pledges receivable as necessary. Historically, all pledges receivable have been collected. In the opinion of management the credit risk exposure to the Society is low.

The Society is exposed to credit risk to the extent that substantially all cash and restricted cash are held at one financial institution. The financial institution is a BC Credit Union and as such, deposits are 100% protected by deposit insurance from the Credit Union Deposit Insurance Corporation of British Columbia.

(b) Liquidity risk

The Society is subject to liquidity risk due to bank indebtedness, accounts payable and accrued liabilities, and loans payable of \$916,021 (2024 - \$1,026,200). 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 moderate.

(c) 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 Society's interest-bearing financial instruments include fixed rate long-term debt and variable rate operating loan and term loan. The fair values of fixed rate financial instruments fluctuate as market rates of interest change. The cash flows resulting from variable rate financial instruments fluctuate as interest rates applicable to the instruments change. The Society does not employ derivative financial instruments to hedge its exposure to interest rate risk.