Financial Statements
(Expressed in thousands of dollars)

BC CANCER FOUNDATION

And Independent Auditor's Report thereon

Year ended March 31, 2026

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of BC Cancer Foundation

Report on the Audit of Financial Statements

Opinion

We have audited the financial statements of BC Cancer Foundation (the "Entity"), which comprise:

- the statement of financial position as at March 31, 2026
- the statement of operations for the year then ended
- the statement of changes in net assets for the year then ended
- the statement of cash flows for the year then ended
- and notes to the financial statements, including a summary of significant accounting policies

(hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Entity as at March 31, 2026, and its results of operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Opinion

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

Other Information

Management is responsible for the other information. Other information comprises the information, other than the financial statements and the auditor's report thereon, included in the Impact Report 2025-2026 document.

Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit and remain alert for indications that the other information appears to be materially misstated.

We obtained the information, other than the financial statements and the auditor's report thereon, included in the Impact Report 2025-2026 document as at the date of this auditor's report.

If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in the auditor's report.

We have nothing to report in this regard.

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

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

In preparing the financial statements, management is responsible for assessing the 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.

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 the 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 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 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.

- 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 (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 year.

KPMG LLP

Chartered Professional Accountants

Vancouver, Canada
June 26, 2026

BC CANCER FOUNDATION

Statement of Financial Position
(Expressed in thousands of dollars)

March 31, 2026, with comparative information for 2025

	2026	2025
Assets		
Current assets:		
Cash and cash equivalents	$ 128,340	$ 124,495
Amounts receivable and prepaids (note 4)	94	157
	128,434	124,652
Investments (note 5)	372,547	350,894
Funds held at the Vancouver Foundation (note 6)	1,767	1,784
Other assets	335	912
	$ 503,083	$ 478,242
Liabilities and Net Assets		
Current liabilities:		
Accounts payable and accrued liabilities (note 8)	$ 5,228	$ 2,042
Accounts payable - BC Cancer (note 17(c))	19,058	23,754
	24,286	25,796
Net assets:		
Unrestricted Fund	16,060	17,220
Internally Restricted Fund	73,011	63,878
Externally Restricted Fund	257,096	248,495
Endowment Fund (note 9)	132,630	122,853
	478,797	452,446
Commitments (note 7)		
	$ 503,083	$ 478,242

See accompanying notes to financial statements.

Approved on behalf of the Board:

______________________ Director ______________________ Director

BC CANCER FOUNDATION

Statement of Operations
(Expressed in thousands of dollars)

Year ended March 31, 2026, with comparative information for 2025

	Unrestricted Fund	Externally Restricted Fund	Endowment Fund	Total 2026	Total 2025
Revenue:					
Fundraising	$ 21,067	$ 55,441	$ 656	$ 77,164	$ 71,083
Charitable events (note 12)	1,641	838	-	2,479	7,779
Investment income (note 5)	15,953	-	8,762	24,715	30,366
Other income	6	764	4	774	3,222
	38,667	57,043	9,422	105,132	112,450
Direct fundraising costs (note 13)	9,778	193	309	10,280	12,931
Total revenue, net of fundraising costs	28,889	56,850	9,113	94,852	99,519
General and administration expenses:					
Foundation administration	6,036	-	-	6,036	5,091
Community awareness and public engagement	3,674	-	-	3,674	2,998
	9,710	-	-	9,710	8,089
Excess of revenue over expenses before undernoted	19,179	56,850	9,113	85,142	91,430
Change in value of assets (note 5)	(473)	7,458	6,780	13,765	3,773
Excess of revenue over expenses before support of research and other initiatives	18,706	64,308	15,893	98,907	95,203
Support provided to BC Cancer	-	72,556	-	72,556	75,221
Excess (deficiency) of revenues over expenses	$ 18,706	$ (8,248)	$ 15,893	$ 26,351	$ 19,982

See accompanying notes to financial statements.

BC CANCER FOUNDATION

Statement of Changes in Net Assets
(Expressed in thousands of dollars)

Year ended March 31, 2026, with comparative information for 2025

	Unrestricted Fund	Internally Restricted Fund	Externally Restricted Fund	Endowment Fund	Total 2026	Total 2025
Balance, beginning of year	$ 17,220	$ 63,878	$ 248,495	$ 122,853	$ 452,446	$ 432,464
Excess (deficiency) of revenue over expenses	18,706	-	(8,248)	15,893	26,351	19,982
Interfund transfers (note 10)	(19,866)	9,133	16,849	(6,116)	-	-
Balance, end of year	$ 16,060	$ 73,011	$ 257,096	$ 132,630	$ 478,797	$ 452,446

See accompanying notes to financial statements.

BC CANCER FOUNDATION

Statement of Cash Flows
(Expressed in thousands of dollars)

Year ended March 31, 2026, with comparative information for 2025

	2026	2025
Cash provided from (used in):		
Operations:		
Excess of revenue over expenses	$ 26,351	$ 19,982
Items not involving cash:		
Gain on sale of investments	(2,065)	(1,150)
Change in value of assets	(13,765)	(3,773)
Decrease of other assets	577	153
Changes in non-cash operating items:		
Amounts receivable and prepaids	63	(76)
Accounts payable and accrued liabilities	3,186	344
Accounts payable - BC Cancer	(4,696)	12,327
	9,651	27,807
Investments:		
Net change in investments and funds held at Vancouver Foundation	(5,806)	(23,999)
Increase in cash and cash equivalents	3,845	3,808
Cash and cash equivalents, beginning of year	124,495	120,687
Cash and cash equivalents, end of year	$ 128,340	$ 124,495

See accompanying notes to financial statements.

1. Purpose of the organization:

BC Cancer Foundation (the “Foundation”) is incorporated under the *Societies Act* (British Columbia). The Foundation is an independent charitable organization that raises and stewards resources to support breakthrough research and enhancements to patient care through BC Cancer, part of the Provincial Health Services Authority (the “Authority”).

The Foundation is a charitable organization registered under the *Income Tax Act* (Canada) (the “Act”) and, as such, is exempt from income taxes and able to issue donation receipts for income tax purposes, under Registration Number 11881 8434 RR 0001. In order to maintain its status as a charitable organization registered under the Act, the Foundation must meet certain requirements within the Act. The Foundation and BC Cancer have “associated charity status” from Canada Revenue Agency.

2. Operations:

The Foundation is responsible for fundraising activities and supporting ongoing research for BC Cancer which includes the L.J. Blackmore Cancer Research Centre, the Trev & Joyce Deeley Research Centre (at BC Cancer Victoria) and the BC Cancer’s Genome Sciences Centre, as well as clinical, translational and outcomes research at all six BC Cancer Regional Centres.

3. Significant accounting policies:

These financial statements of the Foundation have been prepared in accordance with Canadian accounting standards for not-for-profit organizations.

(a) Controlled entity:

These financial statements do not consolidate the financial information of Friends of the British Columbia Cancer Foundation, US, a charitable entity controlled by the Foundation. Disclosure regarding this entity is included in note 17(b).

(b) Fund accounting:

In order to ensure observance of the limitations and restrictions placed on the use of resources available to the Foundation, the accounts of the Foundation are maintained in accordance with the principles of fund accounting following the restricted fund method of accounting. Accordingly, resources are classified for accounting and reporting purposes into funds. These funds are held in accordance with the objectives specified by the donors or in accordance with directives issued by the Board of Directors (the “Board”).

Transfers between the funds are made when it is considered appropriate and authorized by the Board. To meet these objectives of financial reporting and stewardship over assets, certain interfund transfers are necessary to ensure the appropriate allocation of assets and liabilities to the respective funds. These interfund transfers are recorded in the Statement of Changes in Net Assets.

3. Significant accounting policies (continued):

(b) Fund accounting (continued):

For financial reporting purposes, the accounts have been classified into the following funds:

(*i*) Unrestricted Fund:

The Unrestricted Fund accounts for the Foundation's general fundraising and administrative activities. The Unrestricted Fund reports unrestricted resources available for immediate purposes. The Foundation's investment in capital assets are also included in the Unrestricted Fund.

(*ii*) Internally Restricted Fund:

From time to time, the Board of Directors may impose certain restrictions on Unrestricted Fund balances. These amounts are presented in the Statement of Financial Position and Statement of Changes in Net Assets as Internally Restricted Fund. These internally restricted amounts are not available for other purposes without approval of the Board of Directors.

(*iii*) Externally Restricted Fund:

The Externally Restricted Fund includes those funds where resources are to be used for an identified purpose as specified by the donor, as stipulated by agreement, or the fundraising appeal. These funds include those which are restricted for use in research, enhancements to patient care and other designated areas of the Foundation's support grant activities.

(*iv*) Endowment Fund:

The Endowment Fund includes those funds where either donor or internal restrictions require that the principal be maintained by the Foundation on a permanent basis and income earned on these funds. A distribution of income earned is made annually on the recommendation of the Foundation's Board for spending purposes.

(c) Cash and cash equivalents:

Cash and cash equivalents consists of cash and highly liquid investments with terms to maturity of three months or less at the date of acquisition.

(d) Capital assets:

Purchased capital assets, if any, are recorded at cost. Contributed capital assets are recorded at fair value at the date of contribution. Amortization is recorded on a straight-line basis over the estimated useful lives of the asset.

3. Significant accounting policies (continued):

(e) Other assets and change in accounting policy:

The Foundation is the owner and named irrevocable beneficiary for various life insurance policies for which the respective donors have agreed to pay the life insurance premiums on behalf of the Foundation. Effective April 1, 2025, the Foundation adopted Accounting Guideline AcG-21, *Accounting for Insurance Contracts with Cash Surrender Value* ("AcG--21"). The Foundation applied this change in accounting policy prospectively, as the impact of restating prior period comparative figures was determined to be immaterial to the financial statements. Under AcG-21, the Foundation recognizes an asset at cash surrender value when the Foundation becomes the owner and beneficiary of the underlying insurance contract. The asset is remeasured at their cash surrender value at the end of each reporting period, with the difference between the aggregate policy premiums and aggregate change in cash surrender value for the period presented on a net basis as Change in value of assets in the Statement of Operations.

(f) Revenue recognition:

Donations and bequests are recorded when received.

Endowment donations are recognized as revenue in the Endowment Fund. Other restricted donations are recognized as revenue of the Externally Restricted Fund. Unrestricted donations are recognized as revenue of the Unrestricted Fund.

Investment income earned on the Endowment Fund is recognized as revenue of the Endowment Fund. Investment income earned on the Unrestricted and Externally Restricted Funds is recognized as revenue of the Unrestricted Fund.

Grants are recorded as revenue in the fiscal year that the grants are authorized and when collection is reasonably assured.

(g) Support provided to BC Cancer:

Support provided to BC Cancer is recognized when a legal obligation is created.

(h) Contributed goods and services:

Contributed assets, which are transferred to the Foundation, are recognized at their fair market value in the financial statements at the time of acceptance by the Foundation, if determinable.

Volunteers contribute a significant amount of time each year to assist the Foundation in carrying out its programs and services. Because of the difficulty of determining their fair value, contributed services are not recognized in these financial statements.

(i) Employee future benefits:

The employees of the Foundation are members of a multi-employer defined benefit plan and, accordingly, contributions are expensed as incurred.

3. Significant accounting policies (continued):

(j) Allocation of expenses:

(i) Direct fundraising costs:

Direct fundraising costs include all third-party fundraising program costs, event expenses and internal costs directly attributable to fundraising activities.

(ii) Foundation administration expenses and community awareness and public engagement expenses:

All expenses related to general management and administrative activities are expensed in the Unrestricted Fund in the period in which they are incurred. All expenses related to marketing and communication activities of the Foundation are expensed in the Unrestricted Fund in the period in which they are incurred as community awareness and public engagement expenses.

Foundation administrative and community awareness and public engagement expenses are not allocated to direct fundraising costs.

(k) Financial instruments:

Financial instruments are recorded at fair value on initial recognition. Freestanding derivative instruments that are not in a qualifying hedging relationship and equity instruments that are quoted in an active market are subsequently measured at fair value. All other financial instruments are subsequently recorded at cost or amortized cost, unless management has elected to carry the instruments at fair value. The Foundation has elected to carry all investments other than guaranteed investment certificates at fair value.

Transactions are recorded on a trade date basis and 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.

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 Foundation 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 Foundation expects to realize by exercising its right to any collateral. If events and circumstances reverse in a future period, an impairment loss will be reversed to the extent of the improvement, not exceeding the initial carrying value.

(Expressed in thousands of dollars, unless otherwise indicated)

3. Significant accounting policies (continued):

(l) Foreign currency translation:

Monetary assets and liabilities denominated in a foreign currency are translated at exchange rates in effect at the Statement of Financial Position date. Non-monetary assets and liabilities are translated at exchange rates in effect when the assets were acquired or obligations incurred. Revenue and expense items originating in foreign currencies are translated at rates of exchange in effect at the time of the transaction. Foreign exchange gains and losses are included in the Statement of Operations. Exchange gains and losses related to the translation of foreign currency denominated investments held at fair value are recorded as part of change in fair value of assets.

(m) Use of estimates:

The preparation of financial statements 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 reported amounts of revenue and expenses during the reporting period. Areas requiring the use of management estimates include the valuation of assets held under other assets. Actual results could differ from those estimates.

4. Amounts receivable and prepaids:

	2026	2025
Amounts receivable	$ 63	$ 95
Prepaids	31	62
	$ 94	$ 157

Amounts receivable include $36 (2025 - $3) from Friends of the British Columbia Cancer Foundation, US (note 17(b)).

(Expressed in thousands of dollars, unless otherwise indicated)

5. Investments:

	2026	2025
Investments held at fair value:		
Money market funds	$ 9,470	$ 1,153
Bonds and fixed income fund	53,954	49,219
Equity funds	160,256	138,253
Commercial mortgage fund	23,976	18,459
Private debt fund	-	20,911
Real estate fund	18,785	18,459
Infrastructure fund	24,188	23,132
	290,629	269,586
Investments held at amortized cost:		
Guaranteed investment certificates	81,918	81,308
	$ 372,547	$ 350,894

The guaranteed investment certificates have interest rates of 3.45% - 5.25% (2025 - 4.10% to 5.38%) and mature over various dates from May 2026 to May 2027 (2025 - May 2025 to November 2026). The amounts recognized above are inclusive of accrued interest.

The Foundation has unfunded investment commitments relating to private debt, infrastructure and real estate investments that can be drawn on demand. The unfunded investment commitments are as follows:

	2026	2025
U.S. dollars	$ 10,500	$ -
Canadian dollars	28,200	-

Under the Foundation's Investment Policy, investments are managed on a discretionary basis by the appointed external investment manager.

The investments relate to the following Funds:

	2026	2025
Unrestricted Fund	$ 593	$ 380
Externally Restricted Fund	242,545	224,730
Endowment Fund	129,409	125,784
	$ 372,547	$ 350,894

(Expressed in thousands of dollars, unless otherwise indicated)

5. Investments (continued):

Investment income earned during the year is comprised of the following:

		2026		2025
Interest and dividends	$	22,650	$	29,216
Realized net capital gain		2,065		1,150
	$	24,715	$	30,366

The Change in value of assets recorded on the Statement of Operations includes unrealized gain on investments of $14,342 (2025 - $3,943).

6. Funds held at the Vancouver Foundation:

One of the Foundation's funds is administered by the Vancouver Foundation. The Foundation receives the net income generated after deduction of administrative costs. The contributed capital in the fund amounted to $1,169 at March 31, 2026 (2025 - $1,169), of which $754 was contributed by the Foundation and $415 by the Vancouver Foundation. Under the terms of the agreement, the Foundation is entitled to withdraw its contributions and proportionate earnings, with the exception of $10 initially contributed which was expensed in 1981. The fair value of the capital in the fund amounted to $2,777 at March 31, 2026 (2025 - $2,805); however, only $1,767 (2025 - $1,784) in fair value, relating to the amount of the fund contributed by the Foundation which can be withdrawn, is presented as an asset on the Statement of Financial Position in the Unrestricted Fund.

7. Commitments:

The Foundation entered into a non-cancellable lease for new office premises on March 6, 2026. The lease term is 10-years, commencing September 1, 2026 and expiring August 31, 2036.

No lease payments or leasehold improvement costs were incurred before March 31, 2026.

Future minimum basic rent payments, excluding operating costs, utilities, taxes, for the next 5 years and thereafter are as follows:

Fiscal Year Ending March 31		Minimum Basic Rent
2027	$	184
2028		342
2029		351
2030		359
2031		368
Thereafter		2,345
	$	3,949

The lease includes two optional five-year renewal terms at market rent. These options are not included in the above amounts because the Foundation is not committed to exercising them.

(Expressed in thousands of dollars, unless otherwise indicated)

8. Accounts payable and accrued liabilities:

There are no government remittances payable in accounts payable and accrued liabilities (2025 - nil).

9. Endowment Fund:

Included in the Endowment Fund is $88,009 (2025 - $86,723) subject to external restrictions requiring that they be maintained permanently.

10. Interfund transfers:

2026	Unrestricted Fund	Internally Restricted Fund	Externally Restricted Fund	Endowment Fund
Sundry grants transferred to Externally Restricted & Endowment Fund	$ (866)	$ -	$ 866	$ -
Approved transfer from Unrestricted Fund to Internally Restricted Fund	(19,000)	19,000	-	-
Approved transfer from Internally Restricted Fund to Externally Restricted Fund for support provided to BC Cancer	-	(9,237)	9,237	-
Approved transfer from Internally Restricted Fund to Endowment Fund	-	(630)	-	630
Approved Endowment distribution	-	-	6,746	(6,746)
	$ (19,866)	$ 9,133	$ 16,849	$ (6,116)

2025	Unrestricted Fund	Internally Restricted Fund	Externally Restricted Fund	Endowment Fund
Sundry grants transferred to Externally Restricted & Endowment Fund	$ (163)	$ -	$ 108	$ 55
Approved transfer from Unrestricted Fund to Internally Restricted Fund	(26,000)	26,000	-	-
Approved transfer from Internally Restricted Fund to Externally Restricted Fund for support provided to BC Cancer	-	(7,093)	7,093	-
Approved transfer from Internally Restricted Fund to Endowment Fund	-	(350)	-	350
Approved Endowment distribution	-	-	4,985	(4,985)
	$ (26,163)	$ 18,557	$ 12,186	$ (4,580)

(Expressed in thousands of dollars, unless otherwise indicated)

11. Credit facilities:

As at March 31, 2026, the Foundation has three credit facilities available with the Bank of Montreal ("BMO") as follows:

(a) an operating line of credit for $1,000, bearing interest at BMO's prime rate per annum;

(b) a foreign exchange facility ("FEFC") line of credit for $390 to allow the Foundation to purchase forward exchange contracts. The $390 represents the risk equivalent of the credit facility amount; and

(c) a corporate MasterCard facility for $90.

No amounts were drawn on the operating line of credit or the FEFC facility as at March 31, 2026, and 2025. The outstanding balance on the corporate MasterCard facility was $52 as at March 31, 2026 (2025 - nil).

12. Charitable events:

	2026	2025
Charitable events revenue	$ 2,479	$ 7,779
Charitable event costs (note 13)	(244)	(2,507)
	$ 2,235	$ 5,272

Included in the above amounts are revenues of $74 (2025 - $110) and expenses of $62 (2025 - $68), which have been received and incurred associated with events being held subsequent to year end. The remaining revenues and expenses from these events will be recorded in these financial statements in the year ending March 31, 2027.

13. Direct fundraising costs:

	2026	2025
Charitable event costs (note 12)	$ 244	$ 2,507
External fundraising costs	2,422	2,369
Internal direct fundraising costs	7,614	8,055
	$ 10,280	$ 12,931

14. Financial risks:

(a) Liquidity risk:

Liquidity risk is the risk that the Foundation will be unable to fulfill its obligations on a timely basis or at a reasonable cost. The Foundation manages its liquidity risk by monitoring its operating requirements. The Foundation prepares budget and cash forecasts to ensure it has sufficient funds to fulfill its obligations. There has been no significant change to this risk from 2025.

(b) Credit risk:

Credit risk refers to the risk that a counterparty may default on its contractual obligations resulting in a financial loss. The Foundation is exposed to credit risk with respect to the cash, accounts receivable and certain investments. Cash is substantially held at one Canadian chartered bank. The Foundation assesses, on a continuous basis, accounts receivable and provides for any amounts that are not collectible in the allowance for doubtful accounts. The risk associated with investments is managed through the Foundation's established Investment Policy. It is management's opinion that the Foundation is not exposed to significant credit risks. There has been no significant change to this risk from 2025.

(c) Interest rate risk:

The Foundation is exposed to interest rate risk on its fixed and floating interest rate financial instruments. Fixed-rate instruments subject the Foundation to a fair value risk while the floating rate instruments subject it to a cash flow risk. The Foundation is exposed to this type of risk as a result of investments in money market funds, bonds and fixed income fund, and commercial mortgage fund. The risk associated with investments is managed through the Foundation's established Investment Policy. There has been no significant change to this risk from 2025.

(d) 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. The Foundation has investments in equity funds, commercial mortgage fund, private debt fund, real estate fund, and infrastructure fund (note 5) which are subject to risks arising from changes in market conditions and general market fluctuations. There has been no significant change to this risk from 2025.

(e) Currency risk:

Investments in foreign securities are exposed to currency risk due to the fluctuations in foreign exchange rates. The Foundation is exposed to this risk as a result of foreign currency denominated investments. There has been no significant change to this risk from 2025.

15. Employee pension plan:

The Foundation and its employees contribute to the Municipal Pension Plan ("Plan"), a jointly trusteed pension plan. The Board of Trustees, representing plan members and employers, is responsible for administering the Plan, including investment of the assets and administration of benefits. The Plan is a multi-employer defined benefit pension plan. Basic pension benefits are based on a formula. The Plan has approximately 273,000 active members and approximately 133,000 retired members. Active members include 98 (2025 - 101) employees of the Foundation.

Every three years, an actuarial valuation is performed to assess the financial position of the plan and adequacy of plan funding. The actuary determines an appropriate combined employer and member contribution rate to fund the plan. The actuary's calculated contribution rate is based on the entry-age normal cost method, which produces the long-term rate of member and employer contributions sufficient to provide benefits for average future entrants to the plan. This rate is then adjusted to the extent there is amortization of any funding deficit.

The most recent actuarial valuation for the Plan as at December 31, 2024, indicated a $2,675,000 funding surplus for basic pension benefits on a going concern basis. The next valuation will be as at December 31, 2027, with results available in the fall of 2028.

Employers participating in the Plan record their pension expense as the amount of employer contributions made during the fiscal year (defined contribution pension plan accounting). This is because the Plan records accrued liabilities and accrued assets for the Plan in aggregate resulting in no consistent and reliable basis for allocating the obligation, assets and cost to the individual employers participating in the Plan.

The Foundation paid $858 (2025 - $875) for employer contributions to the Plan in fiscal 2026.

16. Remuneration of directors, employees and contractors:

(a) During the year, the Foundation paid $8,114 (2025 - $7,252) to 66 (2025 - 57) employees and contractors for service whose remuneration were greater than $75.

(b) In accordance with the bylaws of the Foundation, no compensation was paid to any Directors of the Foundation during the year.

17. Affiliated organizations:

(a) The Foundation receives certain administrative services from the Authority, primarily information technology support. Because of the difficulty in determining their fair value, these contributed services are not recognized in these financial statements.

17. Affiliated organizations (continued):

(b) The Foundation had established a non-profit corporation, Friends of the British Columbia Cancer Foundation, US (“Friends”), in Washington State, USA, which is recognized as a charitable organization under Section 501(c)(3) of the U.S. Internal Revenue Service code. Friends is able to provide written substantiation of gifts in order to allow donors to Friends to deduct their donations for U.S. federal income tax purposes. Donated funds raised by Friends are contributed to the Foundation. As at March 31, 2026, Friends had no significant assets or liabilities. During the year, the Foundation received grants of $nil (2025 - $160) from Friends.

(c) Amounts owing to BC Cancer arise from unpaid, non-reciprocal, irrevocable obligations for qualifying expenditures made by BC Cancer as at year end and are non-interest bearing.

18. Related party transactions:

The Foundation from time to time receives donation contributions from its employees and board members which are recognized at the exchange amount in accordance with the Foundation’s accounting policies over donations and contributions.