

**Yellowstone to Yukon
Conservation Initiative Foundation**

Financial Statements

December 31, 2023

Yellowstone to Yukon Conservation Initiative Foundation

Financial Statements

December 31, 2023

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Independent Auditors' Report

To the directors of Yellowstone to Yukon Conservation Initiative Foundation

Opinion

We have audited the financial statements of Yellowstone to Yukon Conservation Initiative Foundation, which comprise the statement of financial position as at December 31, 2023, and the statements of operations, changes in fund balances 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 Foundation as at December 31, 2023, and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Foundation 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 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 Foundation'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 Foundation or to cease operations, or has no realistic alternative but to do so.

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

Independent Auditors' Report (continued)

Auditors' 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 auditors' 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 Foundation'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 Foundation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' 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 auditors' report. However, future events or conditions may cause the Foundation 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.

**Edmonton, Canada
June 28, 2024**

Chartered Professional Accountants

Yellowstone to Yukon Conservation Initiative Foundation

Statement of Operations

For the year ended December 31,	2023	2022
Revenues		
Y2Y-Montana contract revenue	\$ 3,158,452	\$ 68,978
Government grants	1,145,823	-
Grants	813,610	1,068,572
Individual donations	414,326	870,790
Restricted donations	38,900	137,528
Corporate donations	19,084	18,934
Miscellaneous income	18,376	-
	5,608,571	2,164,802
Expenditures (schedule 1)		
Program Services	4,794,400	1,480,381
Fundraising and Administrative	1,018,802	6,565
Endowment Fund	5,000	6,650
Capital Asset Fund	22,635	-
	5,840,837	1,493,596
Income (loss) before other income	(232,266)	671,206
Other income (expense)		
Interest	48,117	2,188
Gain on foreign exchange	2,739	7,906
Dividend income	1,020	1,006
Unrealized gain (loss) in market value of investments	21,328	(33,853)
	73,204	(22,753)
Excess (deficiency) of revenues over expenditures	\$ (159,062)	\$ 648,453

Yellowstone to Yukon Conservation Initiative Foundation

Statement of Changes in Fund Balances

	Balance, beginning of year	Purchase of capital assets	Excess (deficiency) of revenues over expenditures	2023 Balance, end of year
Unrestricted Fund	\$ 993,157	\$ (37,165)	\$ (153,778)	\$ 802,214
Endowment Fund	105,719	-	17,351	123,070
Capital Fund	73,102	37,165	(22,635)	87,632
	\$ 1,171,978	\$ -	\$ (159,062)	\$ 1,012,916

	Balance, beginning of year	Purchase of capital assets	Excess (deficiency) of revenues over expenditures	2022 Balance, end of year
Unrestricted Fund	\$ 386,774	\$ (73,102)	\$ 679,485	\$ 993,157
Endowment Fund	136,751	-	(31,032)	105,719
Capital Fund	-	73,102	-	73,102
	\$ 523,525	\$ -	\$ 648,453	\$ 1,171,978

Yellowstone to Yukon Conservation Initiative Foundation

Statement of Financial Position

December 31,	2023	2022
Assets		
Current		
Cash (note 3)	\$ 644,202	\$ 2,161,954
Short-term investments (note 4)	377,720	-
Accounts receivable (note 6)	1,008,797	39,604
Prepaid expenses (note 7)	83,131	54,313
	2,113,850	2,255,871
Long-term investments (note 5)	108,984	105,212
Property, plant and equipment (note 8)	87,632	73,102
	\$ 2,310,466	\$ 2,434,185
Liabilities		
Current		
Accounts payable and accrued liabilities (note 9)	\$ 152,899	\$ 209,848
Deferred contributions (note 10)	1,144,651	1,052,359
	1,297,550	1,262,207
Net Assets		
Unrestricted Fund	802,214	993,157
Endowment Fund (note 5)	123,070	105,719
Capital Fund	87,632	73,102
	1,012,916	1,171,978
	\$ 2,310,466	\$ 2,434,185

Approved on behalf of the Board:


 _____ Director


 _____ Director

Yellowstone to Yukon Conservation Initiative Foundation

Statement of Cash Flows

For the year ended December 31,	2023	2022
Cash provided by (used for)		
Operating activities		
Excess (deficiency) of revenues over expenditures	\$ (159,062)	\$ 648,453
Items not affecting cash		
Amortization	22,635	-
Unrealized (gain) loss on marketable securities	(21,328)	33,853
Donation of marketable securities	-	(89,943)
	(157,755)	592,363
Change in non-cash working capital items		
Short-term investments	(377,720)	-
Accounts receivable	(969,193)	322,770
Prepaid expenses	(28,818)	(54,313)
Accounts payable and accrued liabilities	(56,949)	(200,428)
Deferred contributions	92,292	47,973
	(1,498,143)	708,365
Investing activities		
Purchase of long-term investments	(8,153)	-
Purchase of property, plant and equipment	(37,165)	(73,102)
Dividends earned	(1,020)	(1,006)
Proceeds of dispositions	26,729	83,967
	(19,609)	9,859
Increase (decrease) in cash	(1,517,752)	718,224
Cash, beginning of year	2,161,954	1,443,730
Cash, end of year	\$ 644,202	\$ 2,161,954
Cash consists of:		
Cash	\$ 643,416	\$ 2,161,447
Restricted cash	786	507
	\$ 644,202	\$ 2,161,954

Yellowstone to Yukon Conservation Initiative Foundation

Notes to the Financial Statements

December 31, 2023

1. Nature of operations

Yellowstone to Yukon Conservation Initiative Foundation (the Foundation) was incorporated under the Societies Act of Alberta on July 11, 2002 and began operations in December 2005. The Foundation was designated a Charitable Organization by Canada Revenue Agency on October 31, 2005 and qualifies for tax-exempt status as a registered charity under paragraph 149(1)(f) of the Income Tax Act of Canada.

Until December 31, 2022 the Foundation along with Yellowstone to Yukon Conservation Initiative Society (Y2Y-Alberta) and Yellowstone to Yukon Conservation Initiative (Y2Y-Montana) formed the Yellowstone to Yukon (Y2Y) group. The Y2Y group worked together to fund and facilitate the activities and programs that will connect and protect habitat from Yellowstone to Yukon so people and nature can thrive. During 2022 the board of directors of the Foundation agreed to purchase the capital assets, rental deposit and accounts receivable balance in exchange for the assumption of the leasehold liability, accrued legal fees and payroll liabilities of Y2Y-Alberta, so that the Foundation could conduct the business previously managed by Y2Y-Alberta after December 31, 2022, the date of Y2Y-Alberta's dissolution.

2. Significant accounting policies

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

(a) Basis of accounting

The Foundation follows the deferral method of accounting for contributions. Under the deferral method, restricted contributions for which the related restrictions remain unfulfilled are accumulated as deferred contributions. As a result, the Foundation's excess of revenue over expenditures for the period represents the increase in resources that are not restricted to cover specific expenses of a future period.

The Foundation maintains the following funds:

Unrestricted Funding is for all funding without restrictions and used for general operations of the Foundation.

Endowment Funding is for the Sarah Baker Fund which was donated to maintain an endowment fund in perpetuity. The fund has been externally restricted for the purpose of scholarships for students who are seeking to advance their studies in Canadian colleges and universities that recognize the Foundation's objectives.

Yellowstone to Yukon Conservation Initiative Foundation

Notes to the Financial Statements

December 31, 2023

2. Significant accounting policies (continued)

(b) Revenue recognition

The Foundation follows the deferral method of accounting for contributions and other revenue. 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.

Investment income includes dividends and interest income recorded on the accrual basis, as well as realized investment gains and losses and unrealized gains and losses on financial instruments subsequently measured at fair value. Investment income is included in the statement of operations. 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.

Endowment contributions are recognized as a direct increases in net assets in the year.

(c) Contributed services

Volunteers contributed time to assist the Foundation in carrying out its programs. Because of the difficulty of determining their fair value, contributed services are not recognized in the financial statements.

(d) Cash and cash equivalents

Cash equivalents consist principally of guaranteed investment certificates and other highly liquid interest bearing instruments with original maturities of three months or less.

(e) Property, plant and equipment

Property, plant and equipment are recorded at cost. The Foundation provides for amortization using the straight-line method at rates designed to amortize the cost of the assets over their estimated useful lives, as set out below.

Leasehold improvements are amortized on a straight-line basis over the shorter of the lease term or their estimated useful lives.

When property, plant and equipment are sold or retired, the related cost and accumulated amortization are removed from the accounts and any gain or loss is charged against earnings in the period.

Property, plant and equipment acquired or constructed during the year are not amortized until they are put into use.

One half of the year's amortization is recorded in the year of acquisition. No amortization is recorded in the year of disposal.

Office equipment	5 years straight-line
Computer equipment	5 years straight-line

Yellowstone to Yukon Conservation Initiative Foundation

Notes to the Financial Statements

December 31, 2023

2. Significant accounting policies (continued)

(f) Use of estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the reporting period. These estimates are reviewed periodically, and, as adjustments become necessary, they are reported in earnings in the period in which they become known.

(g) Foreign currency

The Foundation uses the temporal method to translate its foreign currency transactions and balances. Under this method, monetary assets and liabilities denominated in foreign currencies are translated into Canadian dollars at the exchange rate in effect at the balance sheet date. Non-monetary assets and liabilities are translated at the rates of exchange in effect on the date the assets were acquired or liabilities incurred, unless such items are carried at fair value in which case they are translated at the exchange rate in effect on the balance sheet date. Revenues and expenses are translated into Canadian dollars at the rate of exchange prevailing on the date the transaction occurred. Exchange gains or losses arising on translation or settlement of a foreign currency-denominated monetary item or a non-monetary item carried at market are included in operations for the year.

(h) 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 Foundation 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 consideration transferred or received by the Foundation in the transaction.

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

Subsequent measurement

The Foundation 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.

Yellowstone to Yukon Conservation Initiative Foundation

Notes to the Financial Statements

December 31, 2023

2. Significant accounting policies (continued)

Financial assets measured at amortized cost include cash, accounts receivable, short-term investments and long-term guaranteed investment certificates.

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

The Foundation subsequently measures long-term equity investments 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.

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. Cash

Included in cash are cashable guaranteed investment certificates totaling \$260,606 (2022 - \$1,000,000) earning interest at rates between prime minus 2.45% to prime minus 2.00% (2022 - 3.75%), that mature January 2024.

4. Short-term investments

Short-term investments consist of guaranteed investment certificates totaling \$377,720 (2022 - nil), earning interest at rates between 3.80% - 5.80% (2022 - nil), that mature November and December 2024 (2022 - nil).

Yellowstone to Yukon Conservation Initiative Foundation

Notes to the Financial Statements

December 31, 2023

5. Long-term investments

Long-term investments consists of a USD guaranteed investment certificate with an interest rate of 4.00% (2022 - nil) that matures November 2025 (2022 - nil) and marketable securities with RBC Direct Investing. The purchase and sale of investments are accounted for using trade-date accounting.

	2023	2022
US account		
US Equities - Cost \$57,365 (2022 - \$74,934)	\$ 100,831	\$ 105,212
Guaranteed investment certificate	8,153	-
	\$ 108,984	\$ 105,212

Balances included in the US account have been translated to Canadian Dollars using the rate as at the statement of financial position date.

The Endowment Fund of \$123,070 (2022 - \$105,719), includes the long-term investments as noted above, cash of \$786 (2022 - \$507), and short-term investments held in USD term deposits of \$13,300 (2022 - nil). These funds have been externally restricted for the purpose of scholarships for students who are seeking to advance their studies in Canadian colleges and universities that recognize the Foundation's objectives. All income earned on these investments are also restricted for the purposes outlined in the endowment fund agreement.

Of the balance, \$100,000 relates to the initial contribution received from the donor. The remaining amount has been internally restricted by the Foundation.

6. Accounts receivable

	2023	2022
Trade receivables	\$ 65,550	\$ 39,252
Government remittances	64,121	-
Related party	879,126	352
	\$ 1,008,797	\$ 39,604

7. Prepaid expenses

	2023	2022
Deposits	\$ 8,412	\$ 18,000
Other prepaid expenses	74,719	36,313
	\$ 83,131	\$ 54,313

Yellowstone to Yukon Conservation Initiative Foundation

Notes to the Financial Statements

December 31, 2023

8. Property, plant and equipment

	2023			2022
	Cost	Accumulated amortization	Net book value	Net book value
Office equipment	\$ 20,794	\$ 4,158	\$ 16,636	\$ 20,794
Leasehold improvements	37,165	8,015	29,150	-
Computer equipment	52,308	10,462	41,846	52,308
	\$ 110,267	\$ 22,635	\$ 87,632	\$ 73,102

9. Accounts payable and accrued liabilities

	2023	2022
Trade payables	\$ 64,453	\$ 3,884
Accrued liabilities	63,753	205,964
Related party	24,693	-
	\$ 152,899	\$ 209,848

10. Deferred contributions

Deferred contributions represent contributions received in the current year that are related to the expenditures for the subsequent year. Changes in the deferred contributions are as follows:

	2023	2022
Beginning balance	\$ 1,052,359	\$ 1,004,386
Less: amount recognized as revenue in the year	(587,463)	(989,273)
Add: amount received related to the following year	679,755	572,350
Restricted land acquisition funds	-	464,896
Closing balance	\$ 1,144,651	\$ 1,052,359

Yellowstone to Yukon Conservation Initiative Foundation

Notes to the Financial Statements

December 31, 2023

11. Endowment funds administered by the Edmonton Community Foundation

Yellowstone to Yukon Conservation Initiative Foundation has entered into a series of agreements with the Edmonton Community Foundation (ECF) by which the ECF has agreed to invest and administer two permanent endowment funds including any additional contributions received by the Foundation or the ECF. The two funds are the Yellowstone to Yukon Conservation Initiative Fund (Y2YCIF) and the EMPEO Fund for Yellowstone to Yukon Conservation Initiative (EF-Y2YCI).

During the year, contributions made by the Foundation to the Y2YCIF amounted to \$25,000 (2022 - \$50,000). As of December 31, 2023, the total balance in the Y2YCIF, amounted to \$181,459 (2022 - \$147,800) and the total balance in the EF-Y2YCI amounted to \$215,606 (2022 - \$187,446).

Under the terms of the agreements, the endowment funds are recorded in the accounts of the ECF along with any income earned on the funds. Accordingly, the endowment assets and income are not recognized in the financial statements of the Yellowstone to Yukon Conservation Initiative Foundation. The Foundation is provided with an annual grant from the ECF based on the prior year end's net income and market value of each fund. These grants are recognized as revenue in the statement of operations when collection is reasonably assured. During the year, the Foundation recognized grants of \$7,497 (2022 - 10,529) from ECF in revenue.

12. Lease commitments

The Foundation's commitment exclusive of occupancy costs, consist of a property lease agreement expiring June 30, 2026, is as follows:

2024	\$ 112,002
2025	112,756
2026	56,762
	<hr/>
	\$ 281,520

13. Related party - Y2Y Montana

The Foundation is related to Yellowstone to Yukon Conservation Initiative Montana (Y2Y-Montana) through common management and two common members on their respective Boards of Directors.

Yellowstone to Yukon Conservation Initiative Society (Y2Y-Alberta) was previously a related party that was dissolved on December 31, 2022. During the 2022 year, the board of directors of the Foundation agreed to purchase the capital assets, rental deposit and accounts receivable balance in exchange for the assumption of the leasehold liability, accrued legal fees and payroll liabilities of Y2Y-Alberta, so that the Foundation could conduct the business previously managed by Y2Y-Alberta after December 31, 2022. Y2Y-Alberta had restricted funds at year end related to land conservation projects that were returned or granted to the Foundation, depending on where the funds originated from. The Foundation also terminated the agency agreement it had with Y2Y-Alberta to provide the funding necessary to carry out the charitable activities of the Foundation on December 31, 2022.

Yellowstone to Yukon Conservation Initiative Foundation

Notes to the Financial Statements

December 31, 2023

13. Related party - Y2Y Montana (continued)

	2023	2022
Revenue		
Y2Y-Montana contract revenue	\$ 3,158,452	\$ 68,978
Revenue returned from Y2Y-Alberta - Land acquisition	-	169,037
Grant revenue from Y2Y-Alberta - Land acquisition	-	364,837
	\$ 3,158,452	\$ 602,852
Expenses		
Contract services from Y2Y-Montana	\$ 6,577	\$ -
Contract services from Y2Y-Alberta	-	1,411,939
	\$ 6,577	\$ 1,411,939
Other		
Capital assets purchased from Y2Y-Alberta	\$ -	\$ 73,102
Accounts receivable - Y2Y-Montana	\$ 879,126	\$ 352
Accounts payable		
Accounts payable - Y2Y-Montana	\$ 24,693	\$ -

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.

14. Financial instruments

Transacting in and holding of financial instruments exposes the Foundation to certain financial risks and uncertainties. These significant risks include:

(a) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting its obligations associated with financial liabilities. The Foundation's exposure to liquidity risk relates to accounts payable and accrued liabilities and arises from the possibility that the timing and amount of its cash inflows will not be sufficient to enable it to meet its financial obligations as they become due. The Foundation reduces its exposure to liquidity risk by ensuring that it documents when authorized payments become due.

There has not been any changes to the Foundation's exposure to liquidity risk from the prior year.

Yellowstone to Yukon Conservation Initiative Foundation

Notes to the Financial Statements

December 31, 2023

14. Financial instruments (continued)

(b) 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: interest rate risk, currency risk and other price risk. The Foundation is exposed to market risk as follows:

(i) Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. At date of the Statement of Financial Position, the Foundation has foreign currency long-term investments, short-term investments and cash and thus, is exposed to the financial risk of earnings fluctuations arising from changes in foreign exchange rates and the degree of volatility of these rates. The exchange rate at the date December 31, 2023 from USD to CAD was 1.3226 (2022 - 1.3544). The Foundation does not use derivative instruments to hedge its exposure to fluctuations in foreign currency exchange rates.

Increased economic uncertainty due to a range of economic factors has resulted in a change in currency risk from the prior year by increasing volatility in currency markets. The Foundation cannot predict changes in currency exchange rates or the impact of exchange rates on operating results. Balances in USD funds denominated in Canadian Dollars are as follows:

	2023	2022
Cash - USD	\$ (3,358)	\$ 365,345
Short-term investment	377,720	-
Long-term investments	108,984	105,212
	\$ 483,346	\$ 470,557

(ii) 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. Aside from related party balances, the Foundation's interest-bearing financial instruments include fixed rate guaranteed investment certificates and variable rate guaranteed investment certificates. 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 Foundation does not employ derivative financial instruments to hedge its exposure to interest rate risk, but management does not anticipate significant effects on future cash flows.

Increased economic uncertainty and changing inflation rates due to a range of economic factors has resulted in a change in interest rate risk from the prior year. Uncertain economic conditions including events may result in a change in interest rates both nationally and internationally. The Foundation cannot predict changes in interest rates.

Yellowstone to Yukon Conservation Initiative Foundation

Notes to the Financial Statements

December 31, 2023

14. Financial instruments (continued)

(iii) Price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices, other than those arising from interest rate risk or foreign currency risk, whether those changes are caused by factors specific to the individual financial instrument or issuer, or factors affecting all similar financial instruments or issuers. The Foundation's long-term investments expose the entity to price risks as these instruments are subject to price changes in an open market for a variety of reasons including investor sentiment and expectations, changes in market rates of interest, general economic indicators and restrictions of credit markets.

There has not been any changes to the Foundation's exposure to price risk from the prior year.

15. Allocated expenses

Administration costs are allocated to funds based on the proportion of time spent administering the programs.

16. 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.

Yellowstone to Yukon Conservation Initiative Foundation

Schedule 1 - Statement of Operations by Fund

For the year ended December 31,	Unrestricted Fund				2023 Total	2022 Total
	2023	2023	2023	2023		
	Program Services	Fundraising and Administrative	Endowment Fund	Capital Asset Fund		
Revenues						
Y2Y-Montana contract revenue (note 13)	\$ 2,314,427	\$ 844,025	\$ -	\$ -	\$ 3,158,452	\$ 68,978
Government grants	1,145,823	-	-	-	1,145,823	-
Grants	681,113	132,497	-	-	813,610	1,068,572
Individual donations	-	414,326	-	-	414,326	870,790
Restricted donations	30,270	8,630	-	-	38,900	137,528
Corporate donations	1,488	17,596	-	-	19,084	18,934
Miscellaneous income	1,000	17,376	-	-	18,376	-
	4,174,121	1,434,450	-	-	5,608,571	2,164,802
Expenditures						
Amortization	-	-	-	22,635	22,635	-
Conference expense	29,550	284	-	-	29,834	-
Contract service	2,126,612	99,218	-	-	2,225,830	1,411,939
Contributions to Edmonton Community Foundation	-	25,000	-	-	25,000	50,000
Insurance	11,528	8,164	-	-	19,692	-
Interest and bank charges	1,595	7,262	-	-	8,857	6,991
Office	202,386	16,502	-	-	218,888	2,241
Partner grants	199,799	-	-	-	199,799	-
Professional fees	8,537	20,046	-	-	28,583	15,775
Rent	22,276	85,074	-	-	107,350	-
Salaries and related benefits	2,024,466	712,331	-	-	2,736,797	-
Scholarships	-	-	5,000	-	5,000	6,650
Travel	167,651	44,921	-	-	212,572	-
	4,794,400	1,018,802	5,000	22,635	5,840,837	1,493,596
Deficiency of revenues over expenditures before other income	(620,279)	415,648	(5,000)	(22,635)	(232,266)	671,206
Other income (expense)						
Interest	495	47,622	-	-	48,117	2,188
Gain on foreign exchange	-	2,736	3	-	2,739	7,906
Dividend income	-	-	1,020	-	1,020	1,006
Unrealized gain (loss) in market value of investments	-	-	21,328	-	21,328	(33,853)
	495	50,358	22,351	-	73,204	(22,753)
Deficiency of revenues over expenditures	\$ (619,784)	\$ 466,006	\$ 17,351	\$ (22,635)	\$ (159,062)	\$ 648,453