



CHAIR
Daniel John

CHAIR-ELECT
Jennifer Quart

VICE-CHAIR
Diana Dickey

PAST CHAIR
Taylor Biggar



DIRECTORS

Bob Ingratta

Steve Jamieson

Matthew Lee

Leslie McDonnell

Kathy McGarrigle

Randy Ryalls

Arnold Shuchat

Jason Wood

Sam Wyatt



CHIEF EXECUTIVE OFFICER

Jeff King



REALTORS Care®



TO: ALL MEMBERS

FROM: Daniel John, Chair

DATE: February 24, 2023

RE: Annual General Meeting on March 24, 2023
Delta Burnaby Hotels and Conference Centre by Marriott – Grand Villa Ballroom and virtually through Lumi

On Friday, March 24, 2023 we will hold our Annual General Meeting at the Delta Burnaby Hotels and Conference Centre by Marriott in the Grand Villa Ballroom and virtually through Lumi.

Attached is your meeting package. It includes the following:

- 1) Notice of Annual General Meeting
- 2) Annual General Meeting Agenda
- 3) Minutes of the Annual General Meeting held on March 24, 2022
- 4) Special Resolution to amend the Society's constitution, to update and modernize the purposes of the Society and reflect the present-day objectives.
- 5) Instructions for Proxy Form
- 6) AGM Voting Proxy Form
- 7) REBGV AGM Meeting Rules (2023)
- 8) Financial statements for year ended December 31, 2022



Annual General Meeting

Delta Burnaby Hotels and Conference Centre by Marriott, Grand Villa Ballroom
4331 Dominion Street, Burnaby, BC and Virtually

Friday, March 24, 2023

Registration Opens: 9:00 a.m.

Annual General Meeting: 10:00 a.m.

NOTICE OF GENERAL MEETING

TO: Active Members
Real Estate Board of Greater Vancouver

DATE: February 24, 2023

TAKE NOTICE THAT the Annual General Meeting of the Members of the Real Estate Board of Greater Vancouver will be hybrid meeting held on Friday, March 24, 2023 at 10:00 a.m. at the Delta Burnaby Hotels and Conference Centre by Marriott, 4331 Dominion Street, Burnaby, BC, V5G 1C7 and also virtually using Lumi.

VIRTUAL ACCESS TO THE MEETING:

- A link to access REBGV's AGM virtually will be sent to each member no later than 24 hours before the event.
- To participate on March 24, 2023, members must click on the supplied link, prior to or during the 10:00 a.m. meeting, and sign in using their REBGV member number and password.
- Please watch for REBGV communications in the weeks ahead for more detailed technical instructions on participating virtually in this year's AGM.

IN PERSON ATTENDANCE:

Please **telephone your confirmation** of attendance by calling Member Services at **604-730-3090**. **PLEASE PRESENT YOUR MEMBERSHIP I.D. AT THE DOOR FOR ADMISSION.** Registration begins at 9:00 a.m.

Jeff King
Chief Executive Officer



AGENDA

REAL ESTATE BOARD *of* GREATER VANCOUVER

**Annual General Meeting
March 24, 2023 at 10:00 am**

1. CALL TO ORDER AND INTRODUCTIONS
2. APPROVAL OF THE MINUTES FROM THE ANNUAL GENERAL MEETING HELD ON MARCH 24, 2022
3. APPOINTMENT OF THE BOARD AUDITOR
4. CHAIR'S REPORT
5. CHIEF EXECUTIVE OFFICER'S REPORT
6. SPECIAL RESOLUTION #1 – CONSTITUTION
7. NEW BUSINESS
8. ADJOURNMENT



Minutes of the Annual General Meeting
held via Video Conference
on March 24, 2022

PRESENT:

Rasika Acharya	Perry Cheung	Brandon Favaro	Tore Jacobsen
Devon Ainsworth	Richard Cheung	Reza Fejvai	Steve Jamieson
Rick Alder	Justin Chiu	Steve Flynn	Vanessa Jan
Michael Alford	Nathan Choi	Gerrit Focker	Christine Jang
Jennifer Allen	Gina Chong	Eileen Fong	Selina Jansen
Alex Aragon	Virginia Chow	Rhiannon Foster	Rohit Jindal
Clare Arnold	Irene Chu	Jenna Franze	Angela Jorgenson
Rosemary Azu	Chris Chuang	Jenny Fu	Daniel John
Karl Bai	Rod Codizal	Shukria Ganji	Ranjit Singh Kalsi
Seth Baker	Michele Collins	Kyle Gao	Jimmy Kang
Kirat Bal	Jody Copple	Colette Gerber	Adil Khimani
Mitra Bashash	Suzette Costello	Diky Gill	Konstantin Kleiner
Marvin Basran	Michael Cowling	Pat Ginn	Ba Koh
Josh Bath	Lou Cruz	Ben Go	Corwin Kwan
Sukhwant Bath	Douglas Dang	Shane Goutsis	Mona Lamarche
Wendy Betts	Moe Darbandi	Celine Grannary	Robin Larsen
Larry Biggar	Peter Davies	Daryl Grimson	Richard Laurendeau
Taylor Biggar	Sharon deLisser	Alykhan Gulamani	Carina Law
William Binnie	Gregory Dent	Sally Guo	Daniel Lee
Bobbi Birk	Lynn Dequanne	Gina Halinda	Matthew Lee
Diane Birk	Sewak Dhillon	Ruth Hanson	Phil LeGree
Lili Blackwell	Liz Dias	Ray Harris	Malvene Lemerick
Allen Boolinoff	Diana Dickey	Helen He	David Li
Sean Brawley	Randall Didiuk	Graciela Hernandez	Frances Li
Raj Bud	Dmitry Dolzhikov	Christopher Hibbert	Jing Li
Susan Cameron	Sarb Dosanjh	Jason Hindle	Jun Li
Shaun Carson	Emily Douglass	Vera Holman	Karen Li
Bharat Chadha	Karly Douk	Karen Holness	Kenny Liau
Helen Chan	Eric Dove	Karen Holshoe	Lynn Lim
Jack Chan	Shannon Drummond	Alicia Hondl	Calvin Lindberg
Simon Chan	Allan Du	Sheron Hsiang	Ben Liu
Erica Leanne Chang	Shannon Dupuis	Ellen Hsu	Caleb Liu
Annie Chen	Ali Emami	Aijie Huang	Karen Liu
Carrie Chen	Karin Ericson	Crusoe Huang	Gordon Lockhart
Nancy Chen	Joerg Everding	Eddie Huie	Raymond Lui
Rex Chen	Nelson Fan	Wendy Hunter	Huan Ly
Wolf Chen	Cecilia Fatiguso	Daniel Huzyk	Vivien Ma

Mary Ellen Maasik	John Panrucker	Kevin Skipworth	Jeff Weaver
Tina Mak	Sara Para	Allie Smith	James Wei
Joan Man	Nadia Pasic	Anna Smith	John Wen
Lorraine Manyk	Don Pearce	Ashley Smith	Jacqueline Wennes
Sophie Mardirossian	Matt Pempengco	Juliette Smith	Kathy White
Bill Mason	Steven Peng	Terri Smith	Doug Williams
Janice Mazzone	Catherine Peric	Deborah Spicer	Richard Wilson
Leslie McDonnell	Helen Pettipiece	Damian Stanley	Inly Wong
Meg McLean	Dorothy Piche	Renata Steele	Jason Wood
Suzanne Mills	Jarryd Pinto	Pavel Stepczynski	Tazmeen Woodall
Michael Mitsiadis	Jovita Pinto	Pedro Su	Tim Wray
TS Mock	Leon Prescesky	Mary Sutherland	Helen Wu
Iryna Modales	Shameer Punjani	Houman Taba	Susan Wu
Ashkan Mohajerin	Tina Qiu	Allen Tang	Zita Wu
Alex Mohzade	Emily Ramsdell	Steven Thom	Sandra Wyant
Phil Moore	Michael W. Ray	Andrea Thon	Sam Wyatt
Ruth Moore	Scott Russell	Ellen Tian	Jerry Xie
Fernando Moretti	Randy Ryalls	Edmond To	Iris Xu
Nick Moroso	Tim Sabitov	Geoff Tolman	Marie Yngson
Lisa Morris	Marina Saffou	Taj Toor	Alan Yu
Dan Morrison	Denise Salmon	Larry Traverence	Marcela Zacharik
Parto Moshref	Carly Salvetti	Steven Tse	Kelly Zhang
Geordie Moski	Aarun Sandhu	Theresa Veach	Rebecca Zheng
Belinda Mung	Rodney Scharf	Jas Walia	Joe Zhou
Bianca Myddleton	Bob Schmitz	Chelsea Wang	Victoria Zhu
Juliet Nicoll	Barrie Seaton	Diana Wang	
Jean Mujde Okuyaz	Judy Sehling	Gary Wang	
Ei-Leen Ong	Dennis Sepulveda	Ian Wang	
Howard Or	Arnold Shuchat	Jack Wang	
Gurveer Pabla	Arvinderjit Sidhu	Kathy Wang	
Dimitrios Paleogiannis	Richard Siebert	Nina Wang	
Pete Pandher	Nick Singla	Tim Wang	

ALSO:

Bob Ingratta, Appointed Director
 Fiona Macdonald, Appointed Director
 Kathy McGarrigle, Appointed Director
 Michael Blatchford, Norton Rose Fulbright Canada LLP, Parliamentary Advisor
 Jeff King, Chief Executive Officer
 Eileen Day, Chief Operating Officer
 Craig Munn, Director of Communications
 Katrin Newel, VP of Business Innovation
 Harriet Permut, Manager, Government Relations
 Megan Stannard, Manager, Human Resources
 Arnelle Starnaman, Business Practices Officer
 Tina Creed, Senior Executive Assistant
 Julie Mandarano, Programs and Events
 Henry Tong, Social Media Coordinator

Andrea Westaway, Administrative Assistant, Communications
 Fred Horsman, Tantalus Productions
 Matt O'Donnell, Tantalus Productions
 David Oliver, Tantalus Productions
 David Page, Tantalus Productions

INTRODUCTION:

The Chair welcomed everyone to the “virtual” Annual General Meeting of the members of the Real Estate Board of Great Vancouver and introduced Daniel John, Chair-Elect; Jeff King, Chief Executive Officer; and Michael Blatchford, Parliamentary Advisor.

The Chair introduced the 2021/2022 Board of Directors:

Daniel John (Chair-Elect)	Bob Ingratta	Michael Mitsiadis
Jennifer Quart (Vice-Chair)	Steve Jamieson	Arnold Shuchat
Colette Gerber (Past Chair)	Fiona Macdonald	Jason Wood
Douglas L. Dang	Leslie McDonnell	
Diana Dickey	Kathy McGarrigle	

The Chair also introduced the new Directors for 2022/2023:

Matthew Lee (elected)
 Randy Ryalls (elected)
 Sam Wyatt (elected)

CALL TO ORDER:

The meeting was called to order at 10:00 a.m. on March 24, 2022, by the Chair, Taylor Biggar, who held a Moment of Silence in honour of departed members and staff.

The Chair advised that Arnelle Starnaman would be serving as Recording Secretary and that Tina Creed would be serving as Scrutineer of the Meeting. The Scrutineer's preliminary report on attendance indicated that quorum was achieved. At final report, 269 voting members were in attendance.

MINUTES:

MOTION: THAT the Minutes of the Annual General Meeting held on March 30, 2021 be approved.

MOTION CARRIED

APPOINTMENT OF BOARD AUDITOR:

The Financial Statements and Auditor's Report for 2021 were presented in the AGM package that had been circulated to all members.

MOTION: THAT Grant Thornton, LLP be appointed as Auditor for the Real Estate Board of Greater Vancouver for the fiscal year ending December 31, 2022 and that the Directors will set the remuneration of the Auditor.

MOTION CARRIED

CHAIR'S REPORT:

Mr. Biggar made his report for 2021, speaking of the government's involvement in real estate, improving the multiple offer experience for REALTORS® as well as buyers, an ongoing review of the Board's governance structure, improving Realtor professionalism, the Board's new spokesperson strategy, lockbox security, a diversity and inclusion initiative, and welcoming new CEO Jeff King. For the Chair's full report, see [REBGV 2021 Annual Report - Chair's Report](#).

CHIEF EXECUTIVE OFFICER'S REPORT:

Mr. King made his report for 2021, speaking of the Board's strategic plan and finances, MLS® innovation, advocacy on housing affordability, BC boards' commitment to a Pledge of Cooperation, evolution of the Board's ad campaign, the continuing Excellence Canada journey, the Young Professional Network program, and a Covid-19 update. For the CEO's full report, see [REBGV 2021 Annual Report - CEO's Report](#).

NEW BUSINESS:

The Chair opened the meeting for members to make advisory motions, which would be interpreted as suggestions for the Board of Directors to consider. No advisory motions were made.

ADJOURNMENT:

There being no further business, the meeting adjourned at 10:40 a.m.

CERTIFIED CORRECT:

Chair

Secretary

NOTICE OF SPECIAL RESOLUTION OF THE MEMBERS

OF THE REAL ESTATE BOARD OF GREATER VANCOUVER (the "Society")

The following Special Resolution to amend the Society's constitution will be presented for consideration and approval at the Annual General Meeting of the Society to be held on **March 24, 2023 at the Delta Burnaby Hotel & Conference Centre, Burnaby, B.C and virtually through Lumi.**

RESOLUTION NO. 1

AMENDMENTS TO CONSTITUTION

EXPLANATORY NOTE:

The purposes of the Society have been updated to modernize and reflect the present day objectives and activities on behalf of the members and the public, and to align with more contemporary language.

BE IT RESOLVED as a Special Resolution

- that the Constitution of the Society be amended by deleting the current purposes in their entirety and substituting in place thereof the following as new purposes for the Society:

"2. The purposes of the Society are to

1. Provide structure and services in Greater Vancouver and environs that help real estate professionals excel and foster public confidence in the real estate profession;
2. Institute, promote, manage, and maintain systems and plans for the general benefit of the members of the Society in the conduct of their real estate business;
3. Promote and enforce a code of ethics and high standards of real estate business practices;
4. Institute, promote, manage, and maintain systems and plans for real estate transactions with the objects of:
 - a. rendering the best possible service to the general public for such real estate transactions conducted through the members of the Society; and
 - b. maximizing the real estate market opportunities for buyers, sellers, lessors, lessees, tenants, and property managers in the conduct of their real estate business;
5. Provide information, education, training, and opportunities for information exchange for the general benefit of the members of the Society in the conduct of their real estate business;

6. Advocate for the collective interests of the members of the Society and in the public interest on social, environmental, legislative, regulatory, and other matters that impact members, owners, sellers and buyers in the conduct of their business;
7. Provide economic and other data analysis and reports pertaining to the real estate profession and market in support of members and the public they serve; and
8. Make grants and donations out of income or surplus funds of the Society for the establishment or support of any educational, charitable or benevolent organization.”

(See Appendix “A”)

*EXISTING TEXT***CONSTITUTION**

1. The name of the Society is the REAL ESTATE BOARD OF GREATER VANCOUVER.
2. The ~~objects~~ of the Society are:
 - a) ~~To establish, maintain and regulate the Real Estate Board of Greater Vancouver;~~
 - b) ~~To do all things necessary to promote interest in the marketing of Real Estate in all its aspects, and to advance and improve the relations of the members of the Society with the public;~~
 - e) ~~To advance and promote the interests of those engaged in the Real Estate Business as brokers, agents, salespersons, valuers, appraisers, examiners and experts and to increase public confidence in and respect for those engaged in the calling of the Real Estate Agent;~~
 - d) ~~To encourage the use of the designation "REALTOR®" by the members of the Society and to encourage and promote the acceptance by the general public of such designation and such use thereof and to protect, as far as practical, the exclusive use thereof by the members of this Society and other societies and organizations, members of the Canadian Real Estate Association;~~
 - e) ~~To encourage the study of Real Estate in all its aspects and to promote the exchange of views between the members of the Society by affording opportunities for discussion, correspondence and attendance at lectures for the reading of papers and to disseminate useful information by circulation among the members of publications, data and forms;~~
 - f) ~~To institute, promote and manage and maintain systems and plans for the listing and sale of Real Estate with the object of rendering the best possible service to the general public for the purchase and sale of Real Estate through the members of the Society by providing vendors of Real Estate with a wide potential market and by providing purchasers of Real Estate with a wide selection of properties;~~
 - g) ~~To institute, promote and manage plans or systems for the general benefit of the members of the Society in the conduct of their business connected with all aspects of Real Estate;~~
 - h) ~~To purchase, lease, build or otherwise acquire or provide~~

*PROPOSED TEXT***CONSTITUTION**

1. The name of the Society is the REAL ESTATE BOARD OF GREATER VANCOUVER.
2. The purposes of the Society are to:
 1. Provide structure and services in Greater Vancouver and environs that help real estate professionals excel and foster public confidence in the real estate profession;
 2. Institute, promote, manage, and maintain systems and plans for the general benefit of the members of the Society in the conduct of their real estate business;
 3. Promote and enforce a code of ethics and high standards of real estate business practices;
 4. Institute, promote, manage, and maintain systems and plans for real estate transactions with the objects of:
 - a) rendering the best possible service to the general public for such real estate transactions conducted through the members of the Society; and
 - b) maximizing the real estate market opportunities for buyers, sellers, lessors, lessees, tenants, and property managers in the conduct of their real estate business;
 5. Provide information, education, training, and opportunities for information exchange for the general benefit of the members of the Society in the conduct of their real estate business;
 6. Advocate for the collective interests of the members of the Society and in the public interest on social, environmental, legislative, regulatory, and other matters that impact members, owners, sellers and buyers in the conduct of their business;
 7. Provide economic and other data analysis and reports pertaining to the real estate profession and market in support of members and the public they serve; and
 8. Make grants and donations out of income or surplus funds of the Society for the establishment or support of any educational, charitable or benevolent organization.

*EXISTING TEXT**PROPOSED TEXT*

~~from time to time and at any time any building or buildings, or space for the purpose of an institute, hall, college or lecture rooms, offices and boardrooms, and to alter, reconstruct, equip and furnish the same for the promotion of the objects of the Society and to sell, mortgage, lease or otherwise dispose of the same when deemed advisable from time to time;~~

- ~~i) To promote, encourage and protect the ownership of real property and to endeavour to maintain Real Estate values in the areas served by the Society and to do all things which may be deemed necessary or advisable to make Real Estate a sound and a desirable investment;~~
- ~~j) To assist in the development of the area of Greater Vancouver and its environs along the lines best calculated to promote the prosperity and wealth of the metropolitan area and its inhabitants;~~
- ~~k) To advance the interests of the City of Vancouver and the Greater Vancouver area and its citizens by the collection and circulation of valuable and useful information pertaining to the Real Estate, manufacturing, industrial and mercantile interests and to oppose the enactment of laws detrimental to said interests;~~
- ~~l) To oppose the enactment of laws detrimental to Real Estate interests;~~
- ~~m) To foster an equitable system of taxation and assessment and to secure the enactment and enforcement of laws and ordinances for the further protection, convenience and welfare of Real Estate owners, lease holders and those engaged in all aspects of the Real Estate Business;~~
- ~~n) To aid in the adjustment and settlement of any controversies or misunderstandings which may arise between members of the Society;~~
- ~~o) To secure the adoption and enforcement of sound rules of business conduct and dealing among those engaged in the Real Estate Business;~~
- ~~p) To adopt a code of ethics and standards of business conduct to which all members shall be required to conform;~~
- ~~q) To make grants and donations out of income or surplus funds of the Society for the establishment or support of any educational, charitable or benevolent institution and subscribe and guarantee funds for any educational, charitable or benevolent purpose whether or not related to or calculated to promote the purpose of this Society;~~

*EXISTING TEXT**PROPOSED TEXT*

- ~~r) To maintain an active and representative membership composed of those engaged in any and all aspects of the Real Estate Business in areas served by the Board;~~
- ~~s) To collect and make available to the members of the Board information regarding all aspects of the Real Estate Business in the areas served by the Board.~~

3. This society is a member-funded society. It is funded primarily by its members to carry on activities for the benefit of its members. On its liquidation or dissolution, this society may distribute its money and other property to its members.

3. This society is a member-funded society. It is funded primarily by its members to carry on activities for the benefit of its members. On its liquidation or dissolution, this society may distribute its money and other property to its members.



Instructions for Completing a Proxy Form

For the March 24, 2023 Annual General Meeting
of the Real Estate Board of Greater Vancouver

- 1. Only members attending the meeting in person can carry a proxy.**
- 2. Please complete the entire proxy form before attending the meeting.
*Incomplete proxy forms presented at registration will be voided.***
- 3. Members attending in person are eligible to carry ONE proxy form. *As per Bylaw 6.8.5 (d) If a member holds more than ONE proxy ALL proxies held will be deemed void and have no effect and will be voided.***
- 4. We do not have the ability to accept electronic proxy forms so please ensure that you have a *hard copy of the fully-completed proxy form to present at registration.***



Annual General Meeting

Friday, March 24, 2023

PROXY

I, _____ Member ID # _____
(print name above)

an active voting member of the Board, of

(print your real estate company name)

hereby appoint _____
(print the name of person you are appointing above)

an active voting member of the Board, of

(print the real estate company name of the member you are appointing to hold your vote)

to vote in my stead at the Annual General Meeting of the Members of the Real Estate Board of Greater Vancouver to be held at 10:00 am on Friday, March 24, 2023, at the Delta Burnaby Hotels and Conference Centre by Marriott, 4331 Dominion St., Burnaby, BC, V5G 1C7 and at any adjournment thereof.

PLEASE READ CAREFULLY

Electronic proxies cannot be processed and will not be accepted.

Bylaw 6.8.5 VOTING BY PROXY

Proxy voting is permitted at General Meetings, subject to these By-laws and in accordance with the following rules:

- (a) an active member may, by form of proxy, appoint another active member to be their proxy and to attend and act at a specified General Meeting on their behalf and at any adjournment thereof;
- (b) a form of proxy appointing a proxy holder must:
 - (i) ***be in writing in a form approved by the Directors; and***
 - (ii) ***be signed and dated by the member, or it is void and of no effect;***
- (c) a form of proxy must state the specific meeting at which the proxy holder is authorized to act on behalf of the member, provided that if a form of proxy does not state the General Meeting at which it is to have effect, the authority of the proxy holder is deemed to be for the next general meeting held on or after the date indicated on the form of proxy;
- (d) ***an active member may not hold a proxy for more than one (1) other active member at any given General Meeting. In the event that a situation arises where an active member holds proxy for more than one other active member, all forms of proxy held by that proxy holder are deemed to be void and of no effect;*** and
- (e) proxy votes may only be cast by individuals entitled to hold a proxy and physically present at the applicable meeting of the members. For greater certainty, a proxy vote cannot be cast by an individual entitled to vote who is not physically present at the meeting.

Your Signature:

Date:

Filing acknowledged by:

Chief Executive Officer



REAL ESTATE BOARD OF GREATER VANCOUVER

(the "Board")

Annual General Meeting

March 24, 2023

Meeting Rules

The following Meeting Rules will be adopted at the Annual General Meeting of the Real Estate Board of Greater Vancouver, to facilitate orderly debate at the meeting and to ensure courtesy, fairness and equality for all.

1. The meeting will be conducted in accordance with the Societies Act, the Constitution and Bylaws of the Board and these meeting rules.
2. Only members of the Board in good standing are entitled to participate in discussion and debate.
3. All speakers will be fair, courteous, and respectful at all times. Issues or comments of a personal nature will not be debated or considered, and will be ruled out of order.
4. Once a resolution is moved and seconded discussion will be limited to comments for or against the resolution, rather than questions.
5. Members who wish to speak will wait to be recognized by the Chair and will identify themselves and their brokerage before speaking. Speakers will also indicate whether they are for, or against, the resolution.
6. A speaker may speak for up to two (2) minutes. At the conclusion of two (2) minutes, the Chair will direct the speaker that time is up and will move to the next speaker.
7. A speaker may rise to speak up to two times on a resolution. However, no person may speak a second time until every person has had the opportunity to speak once.



8. Discussion may be closed by the Chair if there is no objection, or by motion duly made and seconded and approved by 2/3 of the votes cast by voting members.
9. Following close of discussion, votes may be cast by electronic voting devices, by a show of hands or voting cards.
10. Any motion made at the AGM by a member is advisory only, and will be interpreted as a position statement or recommendation to the Board of Directors. Any member may require that such a motion be submitted in writing before it is seconded and discussed.



Financial Statements

Real Estate Board of Greater Vancouver

December 31, 2022

Contents

	Page
Independent Auditor's Report	1 - 2
Statement of Financial Position	3
Statement of Operations	4
Statement of Changes in Net Assets	5
Statement of Cash Flows	6
Notes to the Financial Statements	7 - 14



Independent Auditor's Report

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 F +1 604 685 6569

To the Members of Real Estate Board of Greater Vancouver

Report on the audit of the financial statements

Opinion

We have audited the financial statements of the Real Estate Board of Greater Vancouver ("REBGV"), which comprise the statement of financial position as at December 31, 2022, and the statements of operations, changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Real Estate Board of Greater Vancouver as at December 31, 2022, and its results of operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of REBGV 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 these financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing REBGV'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 REBGV or to cease operations, or has no realistic alternative but to do so.

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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a



material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of REBGV'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 REBGV'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 REBGV to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on other legal and regulatory requirements

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

Grant Thornton LLP

Vancouver, Canada
February 23, 2023

Chartered Professional Accountants

Real Estate Board of Greater Vancouver Statement of Financial Position

December 31	2022	2021
Assets		
Current		
Cash and cash equivalents (Note 4)	\$ 12,371,372	\$ 10,874,719
Accounts and other receivables	3,377,565	4,018,145
Inventories	24,618	34,170
Prepaid expenses and deposits	733,497	619,377
	<u>16,507,052</u>	<u>15,546,411</u>
Long-term investments (Note 5)	3,762,988	1,310,523
Capital assets (Note 6)	4,169,955	4,641,600
	<u>\$ 24,439,995</u>	<u>\$ 21,498,534</u>
Liabilities		
Current		
Accounts payable and accrued liabilities	\$ 4,230,755	\$ 3,444,457
Government remittances payable	146,915	162,652
Deferred revenue	195,534	221,551
Accrued pension benefit liability (Note 7 (b))	18,100	18,100
	<u>4,591,304</u>	<u>3,846,760</u>
Accrued pension benefit liability (Note 7 (b))	230,400	299,200
	<u>4,821,704</u>	<u>4,145,960</u>
Net assets		
Equity in capital assets	4,169,955	4,641,600
Appropriated equity (Note 4)	2,193,621	2,193,621
Unappropriated equity	13,254,715	10,517,353
	<u>19,618,291</u>	<u>17,352,574</u>
	<u>\$ 24,439,995</u>	<u>\$ 21,498,534</u>

Commitments (Note 8)

On behalf of the Board



Director



Director

Real Estate Board of Greater Vancouver Statement of Operations

Year ended December 31, 2022

	Budget 2022 (Unaudited - Note 3)	2022	2021
Revenue			
Education fees	\$ 2,707,781	\$ 2,540,302	\$ 2,379,018
Entrance fees	95,500	117,600	119,050
Internet fees	725,790	665,105	654,080
Lock box fees (Note 8 (b))	1,094,400	1,155,376	1,083,023
Membership dues	14,642,090	14,702,653	13,871,007
MLS listing fees	9,267,557	8,893,160	10,353,099
Supplies sold	80,000	70,211	72,958
Technology fees	2,469,912	2,503,593	2,356,144
	<u>31,083,030</u>	<u>30,648,000</u>	<u>30,888,379</u>
Less bulk billing discounts	(820,980)	(757,488)	(811,430)
	30,262,050	29,890,512	30,076,949
Investment and other income	222,659	614,928	295,782
Rental income	118,206	90,432	115,167
	<u>30,602,915</u>	<u>30,595,872</u>	<u>30,487,898</u>
Expenses			
Advertising and promotion	1,254,934	193,401	166,630
BCREA dues	2,116,800	2,120,976	2,006,136
Building costs	749,234	733,319	788,296
CREA dues	4,557,000	4,545,512	4,308,857
Data processing	2,079,496	1,652,863	1,443,882
General office and administration costs	1,742,391	1,296,417	1,112,244
Instructor fees and materials	901,455	760,857	587,062
Lock box costs (Note 8 (b))	570,000	545,795	512,031
Meetings and sponsorship events	370,440	346,573	136,374
MLS user fees (Note 8 (a))	3,079,262	3,242,844	2,951,314
Professional and consulting fees	1,465,640	727,346	923,998
Salaries and benefits	10,451,510	10,768,915	10,222,890
Supplies	60,000	69,245	53,706
	<u>29,398,162</u>	<u>27,004,063</u>	<u>25,213,420</u>
Excess of revenue over expenses before other items	1,204,753	3,591,809	5,274,478
Other items			
Amortization	(1,686,800)	(1,385,692)	(1,432,890)
Gain on insurance proceeds	-	-	39,915
Loss on disposal of capital assets	-	-	(118,861)
	<u>(1,686,800)</u>	<u>(1,385,692)</u>	<u>(1,432,890)</u>
Excess of revenue over expenses	<u>\$ (482,047)</u>	<u>\$ 2,206,117</u>	<u>\$ 3,762,642</u>

See accompanying notes to the financial statements.

Real Estate Board of Greater Vancouver Statement of Changes in Net Assets

Year ended December 31, 2022

	Equity in capital assets	Appropriated equity	Unappropriated equity	Total
Balance, January 1, 2021	\$ 4,949,805	\$ 693,621	\$ 7,429,002	\$ 13,072,428
(Deficiency) excess of revenue over expenses	(1,551,751)	-	5,314,393	3,762,642
Remeasurement of accrued pension benefit liability	-	-	517,504	517,504
Transfers to appropriated equity	-	1,500,000	(1,500,000)	-
Capital assets purchased	1,243,546	-	(1,243,546)	-
Balance, December 31, 2021	4,641,600	2,193,621	10,517,353	17,352,574
(Deficiency) excess of revenue over expenses	(1,385,692)	-	3,591,809	2,206,117
Remeasurement of accrued pension benefit liability	-	-	59,600	59,600
Capital assets purchased	914,047	-	(914,047)	-
Balance, December 31, 2022	\$ 4,169,955	\$ 2,193,621	\$ 13,254,715	\$ 19,618,291

Real Estate Board of Greater Vancouver Statement of Cash Flows

Year ended December 31	2022	2021
Cash derived from (applied to)		
Operating		
Excess of revenue over expenses	\$ 2,206,117	\$ 3,762,642
Adjustments for items not affecting cash		
Amortization	1,385,692	1,432,890
Loss on disposal of capital assets	-	118,861
	<u>3,591,809</u>	<u>5,314,393</u>
Changes in non-cash working capital items		
Accounts and other receivables	640,580	(383,850)
Inventories	9,552	41,967
Prepaid expenses and deposits	(114,120)	(6,951)
Accounts payable and accrued liabilities	786,298	682,249
Government remittances payable	(15,737)	(69,004)
Deferred revenue	(26,017)	64,114
Accrued pension benefit liability	(9,200)	(396)
	<u>4,863,165</u>	<u>5,642,522</u>
Investing		
Purchase of capital assets	(914,047)	(1,243,546)
Purchase of long-term investments	(2,452,465)	(910,523)
	<u>(3,366,512)</u>	<u>(2,154,069)</u>
Net increase in cash and cash equivalents	1,496,653	3,488,453
Cash and cash equivalents, beginning of year	<u>10,874,719</u>	<u>7,386,266</u>
Cash and cash equivalents, end of year	<u>\$ 12,371,372</u>	<u>\$ 10,874,719</u>

See accompanying notes to the financial statements.

Real Estate Board of Greater Vancouver

Notes to the Financial Statements

December 31, 2022

1. Nature of operations

The Real Estate Board of Greater Vancouver ("REBGV") is a not-for-profit organization located in Vancouver, Canada. It is a member-funded society incorporated under the Societies Act of British Columbia. Its aim and objectives include: advancing and promoting the interests of those engaged in the real estate business; encouraging the study of real estate in all of its aspects; and, promoting, managing and maintaining systems and plans for the listing and sale of real estate. The REBGV maintains a code of ethics and standards of business practice to which all members are required to conform.

In the event of winding-up or dissolution, the REBGV's assets are to be distributed to such charitable institutions as designated by the members.

As a not-for-profit organization, the REBGV is exempt from income tax under paragraph 149(1)(l) of the Canadian Income Tax Act.

2. Summary of significant accounting policies

Basis of accounting

The financial statements have been prepared using Canadian accounting standards for not-for-profit organizations ("ASNPO").

Use of estimates

The preparation of financial statements in conformity with ASNPO requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. The most significant areas requiring management estimates and assumptions include the estimate of useful lives of capital assets for calculating amortization and the assumptions used in the calculation of both the Basic and the Supplemental pension plans' accrued pension benefit obligation. An actuarial valuation of the Basic Plan is carried out at least every three years. The pension obligations are determined based upon the last actuarial valuations which include assumptions with respect to discount rates, salary escalation, and rates of termination, retirement and mortality of plan members.

Actual results could differ from management's best estimates as additional information becomes available in the future. The financial statements have, in management's opinion, been properly prepared using judgment within reasonable limits of materiality and within the framework of the accounting policies summarized above.

Real Estate Board of Greater Vancouver

Notes to the Financial Statements

December 31, 2022

2. Summary of significant accounting policies (continued)

Revenue recognition

REBGV follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred.

Unrestricted revenue is recognized as it is earned when the amount is received or receivable and can be reasonably estimated, with collection reasonably assured. Specifically, revenue is recognized in accordance with the following:

- Education fees are recognized when the course is provided to participants.
- Entrance fees are recognized at the time a member is admitted to REBGV. While REBGV collects entrance fees on behalf of the British Columbia Real Estate Association ("BCREA") and the Canadian Real Estate Association ("CREA"), it acts in an agent capacity and thus such fees are excluded from the Statement of Operations.
- Internet revenue relates primarily to hosting services and is recognized on a monthly accrual basis. Internet revenue also includes \$34,320 (2021 - \$39,194) representing an allocation of \$3 (2021 - \$3) per listing from listing processing fees.
- Lock box fees are recognized on a monthly accrual basis.
- Membership dues are recognized on a monthly accrual basis.
- MLS listing fees include listing processing fees, monthly access fees and end fees. Revenue from listing processing fees are recognized as listings are processed. Monthly access fees are recognized on a monthly accrual basis. End fees are charged to members and recorded as revenue, net of an allowance for collapsed sales, at the time of sale.
- Supply sales are recognized at the time of sale.
- Technology fees are recognized on a monthly accrual basis.
- Investment and other and rental income are recognized when earned.

The REBGV offers a 5% discount on specified billings to those offices that select corporate member billing as opposed to individual billing. The discount has been shown as a separate line item in the Statement of Operations.

Financial instruments

The financial instruments of the REBGV consist of cash and cash equivalents, accounts and other receivables, long-term investments and accounts payable and accrued liabilities.

Financial instruments are initially measured at fair value and subsequently measured at amortized cost, except guaranteed investment certificates ("GICs") and long-term investments, which are subsequently measured at fair value.

Real Estate Board of Greater Vancouver

Notes to the Financial Statements

December 31, 2022

2. Summary of significant accounting policies (continued)

Cash and cash equivalents

Cash and cash equivalents include cash on deposit and temporary investments consisting of GICs expiring within one year. The temporary investments can be liquidated within several days notice.

Inventories

Inventories consist of supplies on hand and secured lock boxes. The supplies on hand are stated at the lower of cost or current replacement cost while the secured lock boxes are stated at the lower of cost or net realizable value. Cost is generally determined on a weighted average basis.

Capital assets

Capital assets are recorded at cost less accumulated amortization and are amortized on a straight-line basis over their estimated useful lives of the assets as follows:

Building	25 years
Office equipment	10 years
Data processing equipment	3 years
Computer software	3 years

Capital assets are tested for impairment whenever circumstances indicate that the asset no longer contributes to the REBGV's ability to provide services.

Assets under development are not amortized until in use.

Employee pension plans

The REBGV maintains funded ("Basic Plan") and unfunded ("Supplemental Plan") non-contributory defined benefit pension plans. The REBGV uses the immediate recognition approach to account for the cost of its defined benefit pension plans. Any resulting gain or loss on the re-measurement of the plans' obligations is recorded directly against net assets.

The accrued benefit obligation for the Basic Plan is based on the most recent actuarial valuation report prepared for funding purposes. In the years between valuations, the REBGV uses a roll-forward technique to estimate the accrued benefit obligation. The Basic Plan assets are valued at fair value. The REBGV's funding policy for the Basic Plan provides for a stable contribution level which is intended to provide a "target" level of benefits dependent on the experience of the Basic Plan. Where the fair value of the Basic Plan assets exceeds the minimum commitment required from the REBGV, the accrued benefit obligation is determined to be the lesser of the fair value of the Basic Plan assets and the obligation calculated on the assumption that the target level of benefits is provided.

The accrued benefit obligation for the Supplemental Plan is based on independent annual actuarial estimates performed using the accumulated benefit method.

Real Estate Board of Greater Vancouver

Notes to the Financial Statements

December 31, 2022

3. Budget figures

The 2022 budget figures come from the REBGV's operating budget, which has been prepared by management. For the year ended December 31, 2022, capital asset purchases reflected in the Statement of Changes in Net Assets were budgeted at \$4,284,200 (2021 - \$1,820,000) to be funded by \$593,621 (2021 - \$Nil) in appropriated equity and \$3,690,579 (2021 - \$1,820,000) to be funded out of unappropriated equity.

4. Cash and cash equivalents

	<u>2022</u>	<u>2021</u>
Cash	\$ 5,616,105	\$ 9,761,930
GICs	<u>6,755,267</u>	<u>1,112,789</u>
	<u>\$ 12,371,372</u>	<u>\$ 10,874,719</u>

Approximately 50% (2021 - 52%) of the cash is held at one major Canadian Schedule A bank and earns interest at prime less 2.25%. The GICs bear interest from 2.05% to 4.55% per annum and mature at different dates ranging from January 2023 to December 2023.

A portion of the cash and cash equivalents has been appropriated by the board of directors (see Note 9 (d)). Appropriated equity as at December 31, 2022 is \$2,193,621 (2021 - \$2,193,621).

5. Long-term investments

The long-term investments, comprising of GICs, bear interest from 1.70% to 5.35% (2021 - 1.70% to 2.55%) per annum and mature at varying dates ranging from January 2024 to November 2025.

6. Capital assets

	<u>Cost</u>	<u>Accumulated amortization</u>	<u>2022 Net book value</u>
Land	\$ 82,500	\$ -	\$ 82,500
Building	13,345,882	11,485,104	1,860,778
Office equipment	3,398,512	3,092,820	305,692
Data processing equipment	4,678,683	4,501,556	177,127
Computer software	<u>12,155,254</u>	<u>10,411,396</u>	<u>1,743,858</u>
	<u>\$ 33,660,831</u>	<u>\$ 29,490,876</u>	<u>\$ 4,169,955</u>

Real Estate Board of Greater Vancouver Notes to the Financial Statements

December 31, 2022

6. Capital assets (continued)

	Cost	Accumulated amortization	Net book value
Land	\$ 82,500	\$ -	\$ 82,500
Building	12,928,883	11,380,007	1,548,876
Office equipment	3,342,725	3,023,436	319,289
Data processing equipment	4,616,734	4,366,259	250,475
Computer software	11,775,941	9,335,481	2,440,460
	<u>\$ 32,746,783</u>	<u>\$ 28,105,183</u>	<u>\$ 4,641,600</u>

During 2022 the BC Assessment Authority assessed value for the land and building at \$33,035,000 (2021 - \$29,179,000).

The REBGV obtained a line of credit with a maximum borrowing amount of \$5,000,000 of which \$Nil (2021 - \$Nil) was drawn upon as at December 31, 2022. The REBGV's line of credit is secured by way of a general security agreement containing a collateral mortgage in an unspecified amount over 2433 Spruce Street, Vancouver. The secured assets have a carrying amount of \$1,943,278 (2021 - \$1,631,376).

7. Employee pension plans

The REBGV maintains two non-contributory defined benefit pension plans. The Basic Plan is a funded arrangement, registered under the BC Pension Benefits Standards Act. The Supplemental Plans are unfunded supplemental pension plans, internally funded in order to finance certain benefits in the most tax-efficient manner.

(a) Basic Plan

The Basic Plan provides a pension to retiring employees at a rate of 1.5% of their 5-year salary average per year of pensionable service.

The REBGV has adopted a funding and benefits policy for the Basic Plan which sets out a stable long-term contribution rate of 16.2% (2021 - 16.2%) of pensionable earnings designed to provide a target level of benefits dependent on the experience of the Plan.

The most recent actuarial valuation of the Basic Plan for funding purposes was prepared as at December 31, 2022, by Robertson, Eadie & Associates Ltd.

The funded status of the Basic Plan on a going concern basis is as follows:

	2022	2021
Fair value of plan assets	\$ 22,980,800	\$ 24,162,900
Accrued benefit obligation	<u>(22,980,800)</u>	<u>(24,162,900)</u>
	<u>\$ -</u>	<u>\$ -</u>

Real Estate Board of Greater Vancouver Notes to the Financial Statements

December 31, 2022

7. Employee pension plans (continued)

(b) Supplemental Plans

The Supplemental Plans related to one retired employee and one active employee. During 2021, the Supplemental Plan for the retired employee was closed, and so only one Supplemental Plan remains. The employee with the remaining plan retired at the beginning of the year. The latest actuarial valuations of the Supplemental Plans were prepared for accounting purposes as at December 31, 2022 by Robertson, Eadie & Associates Ltd.

The funded status of the Supplemental Plans on a going concern basis is as follows:

	<u>2022</u>	<u>2021</u>
Fair value of plan assets	\$ -	\$ -
Accrued benefit obligation	<u>(248,500)</u>	<u>(317,300)</u>
Plan deficit	(248,500)	(317,300)
Less current portion	<u>(18,100)</u>	<u>(18,100)</u>
	<u>\$ (230,400)</u>	<u>\$ (299,200)</u>

8. Commitments

- (a) The REBGV, along with two other Real Estate Boards (collectively known as "REB3"), entered into an MLS Services Agreement for a six-year initial term which expired on November 13, 2021. Under the terms of agreement, REB3 was committed to pay monthly fees based on the number of collective users. However, per the terms of the agreement, after the expiration of its initial term, the agreement will continue to automatically renew for consecutive one-year terms unless it is terminated by a party giving written notice of non-renewal at least 3 months prior to the expiration of any renewal term, and so the agreement is currently in effect.
- (b) The REBGV has entered into an agreement with Sentrilock, LLC, the exclusive licensor of the REALTOR® Lockbox system, expiring on October 14, 2028 to purchase secured lock boxes and the servicing rights of them. REBGV is charged a monthly Application and Service ("A&S") fee per standard active card. During the year, the total service fees recognized into revenue were equal to \$1,155,376 (2021 - \$1,083,023) and the service fees charged to REBGV totalled \$545,795 (2021 - \$512,031).

Real Estate Board of Greater Vancouver

Notes to the Financial Statements

December 31, 2022

8. Commitments (continued)

- (c) The REBGV, along with four other real estate boards (collectively known as the "Founding Boards") and the CREA have entered into a Master Service Agreement with Altus Group Limited ("Altus") to develop the House Price Index ("HPI"), which is a software solution provided by Altus to develop a Canadian housing price index and relative benchmark prices for properties within the service areas of the Founding Boards, based on a price model using the transactional data provided by the Founding Boards and/or CREA as well as any other deliverable as noted in this Master Service Agreement. This agreement expires on March 30, 2024. Prior to expiration, a Founding Board may withdraw from this agreement in which the Founding Board agrees to pay all expenses involved for the historical recalculation of the aggregate HPI data and agrees to reimburse CREA its contribution towards the HPI development and implementation costs and any other fees specified in the agreement. In addition and immediately on its withdrawal, all intellectual property rights acquired under this agreement shall accrue to CREA and the remaining Founding Boards in equal shares. Under the terms of this agreement, the REBGV's commitment consists of maintenance and operation expenditures (annual fee of \$50,273, adjusted for inflation yearly). For the year ended December 31, 2022, the REBGV incurred \$53,793 (2021 - \$53,793) of costs in relation to this commitment.

9. Financial instruments and risk management

Financial instruments

At December 31, 2022, the financial assets measured at amortized cost totalled \$8,993,670 (2021 - \$13,780,075).

At December 31, 2022, the financial assets measured at fair value totalled \$10,518,255 (2021 - \$2,423,312).

At December 31, 2022, the financial liabilities measured at amortized cost totalled \$4,230,755 (2021 - \$3,444,457).

Risk management

The REBGV, through its financial assets and liabilities, is exposed to various risks.

(a) Credit risk

Credit risk is the risk that the REBGV will incur a loss due to the failure by its debtors to meet their contractual obligations. Financial instruments that potentially subject the REBGV to significant concentrations of credit risk consist primarily of cash and cash equivalents, accounts and other receivables and long-term investments. The REBGV limits its exposure to credit risk by placing its cash and cash equivalents and long-term investments with high credit quality investments in accordance with investment policies adopted by the Board of Directors.

Real Estate Board of Greater Vancouver

Notes to the Financial Statements

December 31, 2022

9. Financial instruments and risk management (continued)

Risk management (continued)

(a) Credit risk (continued)

Given the nature of REBGV's revenue, there is no concentration of accounts and other receivables. Bad debts for the past five years have been minimal and the allowance for doubtful accounts is \$14,900 at December 31, 2022 (2021 - \$13,247). At December 31, 2022, 4.67% (2021 - 4.12%) of current receivables were outstanding more than 90 days. At December 31, 2022, the provision for collapsed sales is \$168,849 (2021 - \$285,044). The maximum credit risk exposure is limited to the carrying amount of the balances in the financial statements.

(b) Foreign exchange risk

Foreign exchange 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. As all financial instruments are denominated in Canadian dollars, the REBGV is not exposed to foreign exchange risk, except for the application and service fees as disclosed in Note 8 (b) and the MLS system user fees as disclosed in Note 8 (a).

(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 interest rates and terms of cash and cash equivalents and long-term investments are as disclosed in Notes 4 and 5.

(d) Capital risk management

The REBGV considers its capital to be its equity in capital assets, appropriated equity and unappropriated equity. Its equity in capital assets consist of amounts for future expansion and amounts invested in capital assets. The appropriated equity is internally restricted by the board of directors. The REBGV's objectives when managing its capital are to safeguard its ability to continue as a going concern so it can continue to provide services to its members, to allow for future expansion, and to maintain its tax exempt status under the Canadian Income Tax Act. Annual budgets are developed and monitored to ensure the organization's capital is maintained at an appropriate level.

(e) Liquidity risk

Liquidity risk is the risk that the REBGV will not be able to meet its obligations as they fall due. The REBGV maintains adequate levels of working capital to ensure all its obligations are met when they fall due. Additionally, \$2,193,621 (2021 - \$2,193,621) has been appropriated from cash and cash equivalents to defray future costs of capital expenditures. Long-term investments are also held in securities that can be liquidated within a few days' notice.
