

Financial Statements of

Sussex Area Community Foundation Incorporated

(Unaudited)

Year ended July 31, 2024

Sussex Area Community Foundation Incorporated

Year ended July 31, 2024

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INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT

To the Members of Sussex Area Community Foundation

I have reviewed the accompanying financial statements of Sussex Area Community Foundation Incorporated that comprise the statement of financial position as at July 31, 2024, and the statements of operations, changes in net assets and cash flows for the year then ended, as well as a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Practitioner's Responsibility

My responsibility is to express a conclusion on the accompanying financial statements based on my review. I conducted my review in accordance with Canadian generally accepted standards for review engagements, which require me to comply with relevant ethical requirements.

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

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

Conclusion

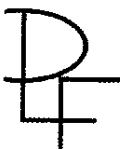
Based on my review, nothing has come to my attention causing me to believe that the financial statements do not present fairly, in all material respects, the financial position of Sussex Area Community Foundation Incorporated as at July 31, 2024, and its results of operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Sussex, New Brunswick
November 23, 2024



Donna L. Floyd, CPA
Professional Corporation
Chartered Professional Accountant

DONNA L. FLOYD, CPA
PROFESSIONAL CORP.



Sussex Area Community Foundation Incorporated

Statement of Financial Position

(Unaudited)

July 31, 2024 and 2023

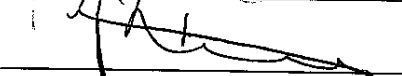
	<u>2024</u>	<u>2023</u>
ASSETS		
Current Assets		
Cash	\$ 14,351	\$ 35,856
Accounts receivable (Note 3)	1,307	1,379
Prepaid expenses	<u>1,871</u>	<u>1,808</u>
	17,529	39,043
Investments at Market Value (Note 4)	2,423,024	2,263,204
Security deposit	<u>490</u>	<u>490</u>
	<u>\$ 2,441,043</u>	<u>\$ 2,302,737</u>
LIABILITIES AND NET ASSETS		
Current Liabilities		
Accounts payable and accrued liabilities	\$ 5,279	\$ 4,120
Scholarships and Grants payable (Note 5)	<u>23,000</u>	<u>23,000</u>
	<u>28,279</u>	<u>27,120</u>
Net Assets		
Distributable Income Fund	256,372	126,071
EJ Cunningham Scholarship Fund	121,071	99,042
Community Fund	1,944,586	1,943,373
Friars Fund	51,536	48,830
PotashCorp Fund	<u>39,200</u>	<u>58,302</u>
	<u>2,412,764</u>	<u>2,275,617</u>
	<u>\$ 2,441,043</u>	<u>\$ 2,302,737</u>

Commitment (Note 9)

See accompanying notes to financial statements

Approved by the Board:


_____ Chair


_____ Treasurer

Sussex Area Community Foundation Incorporated

Statement of Operations and Changes in Net Assets

(Unaudited)

Years ended July 31, 2024 and 2023

	Distributable Income Fund	Community Funds Note 10	Cunningham Fund	Friars Fund	PotashCorp Fund	Total 2024	Total 2023
Revenue							
Donations and bequests	\$ 21,767	\$ 18,023	\$ 15,050	\$ -	\$ -	\$ 54,840	\$ 90,661
Fundraising	14,803	-	-	-	-	14,803	12,292
Interest and dividends	65,390	8,807	4,347	1,908	1,782	82,234	78,160
Canada Recovery	-	-	-	-	-	-	25,000
Realized gain (loss) - sale of investments	51,090	3,949	3,405	1,442	469	60,355	(19,333)
	<u>153,050</u>	<u>30,779</u>	<u>22,802</u>	<u>3,350</u>	<u>2,251</u>	<u>212,232</u>	<u>186,780</u>
Expenses							
Investment management fees (Note 6)	-	19,414	1,137	503	564	21,618	21,585
Bank Fees	15	-	-	-	-	15	-
Rent	6,761	-	-	-	-	6,761	6,746
Telephone	1,175	-	-	-	-	1,175	1,345
Website	220	-	-	-	-	220	220
Office supplies and postage	1,459	-	-	-	-	1,459	1,692
Audit and legal	2,925	-	-	-	-	2,925	1,475
Insurance	1,043	-	-	-	-	1,043	1,008
Membership dues	1,003	-	-	-	-	1,003	979
Fundraising	4,866	-	-	-	-	4,866	4,880
Wages and employee benefits	25,279	-	-	-	-	25,279	22,495
Fund Administration Fee	(12,673)	3,751	1,681	751	6,490	-	-
	<u>32,073</u>	<u>23,165</u>	<u>2,818</u>	<u>1,254</u>	<u>7,054</u>	<u>66,364</u>	<u>62,425</u>
Excess (Deficiency) revenue over expenses before other items	120,977	7,614	19,984	2,096	(4,803)	145,868	124,355
Grant distributions (Note 8)	66,013	12,181	3,000	1,500	15,315	98,009	88,740
Excess (Deficiency) revenue over expenses before unrealized loss - investments	54,964	(4,567)	16,984	596	(20,118)	47,859	35,615
Unrealized gain (loss) on investments	75,337	5,780	5,045	2,110	1,016	89,288	(18,027)
Excess (Deficiency) revenue over expenses	130,301	1,213	22,029	2,706	(19,102)	137,147	17,588
Net Assets, beginning of year	126,071	1,943,373	99,042	48,830	\$ 58,302	2,275,617	2,258,028
Net Assets, End of Year	\$ <u>256,372</u>	\$ <u>1,944,586</u>	\$ <u>121,071</u>	\$ <u>51,536</u>	\$ <u>39,200</u>	\$ <u>2,412,764</u>	\$ <u>2,275,617</u>

Note 10

See accompanying notes to financial statements

Sussex Area Community Foundation Incorporated

Statement of Cash Flows

(Unaudited)

Years ended July 31, 2024 and 2023

	<u>2024</u>	<u>2023</u>
Operating Activities		
Revenue (deficiency) over Expenses	\$ 137,147	\$ 17,588
	<u>137,147</u>	<u>17,588</u>
Changes in Non-Cash Working Capital Items		
Accounts Receivable	72	1,057
Prepaid Expense	(63)	(623)
Accounts Payable	<u>1,159</u>	<u>(1,719)</u>
	<u>138,316</u>	<u>16,304</u>
Investing Activities		
Change in Investments	<u>(159,820)</u>	<u>(25,156)</u>
Increases (Decrease) in Cash	(21,505)	(8,852)
Cash, Beginning Balance	<u>35,856</u>	<u>44,708</u>
Cash, Ending Balance	<u>\$ 14,351</u>	<u>\$ 35,856</u>

See accompanying notes to financial statements

Sussex Area Community Foundation Incorporated

Notes to the Financial Statements
(Unaudited)
Years ended July 31, 2024 and 2023

1. Operations

Sussex Area Community Foundation Incorporated (the "Foundation") was incorporated under the Province of New Brunswick Companies Act on August 1, 2003.

The Foundation is registered with the Charities Division, Canada Revenue Agency, and is classified as a public foundation. As such, it is exempt from income taxes and can issue charitable donation receipts.

The Foundation is a philanthropic organization focused on building permanent endowments in order to tackle long-term community challenges as well as meeting immediate needs. The Foundation serves the people of Sussex and the surrounding area by providing grants for projects that will positively affect our communities.

2. Accounting Policies

The following accounting policies used by the Foundation are stated below to assist in understanding the financial statements.

General

The financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations.

Fund Accounting

The accounts of the Foundation are maintained in accordance with the principles of "fund accounting". Under these principles, resources are classified for accounting and reporting purposes into funds that are in accordance with specified activities or objectives.

Distributable Income Fund

The Distributable Income Fund reports all revenue, expenses and net assets of the Foundation which are available for distribution within the guidelines of the Foundation. Net expenditures of this fund are financed primarily by donor contributions directed to general operations and from investment income earned on the Community Fund contributions on which the donor placed no restrictions.

EJ Cunningham Fund

The EJ Cunningham Scholarship Fund was established in 2008 with the purpose of providing grant scholarships to graduates of area high schools

Community Fund

The Community Fund reports amounts that are required to be maintained by the Foundation on a permanent basis.

Friars Fund

The Friars Family Scholarship Fund was established in 2018 with the purpose of providing grant scholarships to graduates of area high schools.

PotashCorp Fund

The Potash Corporation of Saskatchewan provided a gift of \$375,000 in 2016 to establish the PotashCorp Fund and requested the Sussex Area Community Foundation administer the fund. Five scholarships of \$2,500 each, were awarded annually for four years, 2016 through 2019. The remainder of the fund has been invested and provides annual grants to qualified local donees. The fund is to be fully distributed 10 years from the date it was established

Cash and Cash Equivalents

Cash is defined as cash on hand and cash on deposit, net of cheques issued and outstanding at the reporting date. Cash does not include any balances held within the investment accounts.

Investments

Investments are recorded at market value. Changes in market value of investments are reflected in the fund balances. Realized and unrealized gains and losses are recorded in the year they occur.

The Board exercises discretionary control over the investment of these assets through external investment fund managers within guidelines established by the Board of Directors.

Financial Instruments

Financial instruments consist of cash, accounts receivable, investments and accounts payable and accrued liabilities. Unless otherwise noted it is management's opinion that the Foundation is not exposed to significant interest, currency or credit risk.

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 property, plant and equipment over their estimated useful lives. The amortization rate is as follows:

Computer Equipment	20%
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Revenue Recognition

The Foundation follows the restricted fund method of accounting for contributions. Contributions are recognized only as received, or receivable if the amount can be reasonably estimated and collection is reasonably assured.

Expenses

Expenses are recorded using the accrual basis.

Contributed Services

During the year, a number of volunteers contribute a significant amount of their time to the Foundation. Because of the difficulty in determining the fair value, contributed services are not recorded in the financial statements.

Sussex Area Community Foundation Incorporated

Notes to the Financial Statements
(Unaudited)
Years ended July 31, 2024 and 2023

2. Accounting Policies - continued

Use of Estimates

The preparation of the financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

3. Accounts receivable

	<u>2024</u>	<u>2023</u>
HST Receivable	\$ 1,217	\$ 1,064
Miscellaneous Receivable	<u>90</u>	<u>315</u>
	<u>\$ 1,307</u>	<u>\$ 1,379</u>

4. Investments at Market Value

	<u>2024</u>		<u>2023</u>	
		<u>%</u>		<u>%</u>
Short Term	\$ 81,191	3.3	\$ 112,123	5.0
Fixed Income	1,133,304	46.8	872,190	38.5
Equities	<u>1,208,529</u>	<u>49.9</u>	<u>1,278,891</u>	<u>56.5</u>
	<u>\$ 2,423,024</u>	<u>100</u>	<u>\$ 2,263,204</u>	<u>100</u>

5. Scholarships and Grants Payable

	<u>2024</u>	<u>2023</u>
SACFI Scholarships	\$ 13,000	\$ 13,000
Earl J. Cunningham Scholarships	3,000	3,000
Friars Family Scholarships	1,500	2,000
Sussex High Alumni Fund	500	500
Simpson Scholarships	2,000	2,000
MacLeod Fund	500	500
Unsung Hero (Class of 1998) Scholarships	2,000	2,000
Waterford Gems L.O.B.A. #1407	<u>500</u>	<u>-</u>
	<u>\$ 23,000</u>	<u>\$ 23,000</u>

6. Investment Management Fees

Quarterly investment management fees are allocated proportionately to the Community Fund, the Designated Funds and the PotashCorp Fund based on market value of investments.

7. Net Assets - Community Fund

The total net assets of the community fund includes the net assets held for various other funds totaling \$243,178. The stated amount is held for the ongoing activities of the following: Sussex High Alumni, Simpson Scholarship, Sussex Accessibility, AX Heritage Fund, Unsung Hero (Class of 1998), Sussex Women's Support, and Waterford Gems L.O.B.A. #1407 funds.

Sussex Area Community Foundation Incorporated

Notes to the Financial Statements

(Unaudited)

Years ended July 31, 2024 and 2023

8. Grant Distributions

	<u>2024</u>	<u>2023</u>
Distributable Income Fund:		
Apohaqui Elementary School	\$ 972	\$ 200
Arts and Culture Centre of Sussex	8,956	4,516
Belleisle Regional High School	-	200
Belleisle Watershed Coalition Inc.	1,500	1,400
Big Brother Big Sisters Saint John	3,000	-
Cambridge Narrows Community School	1,700	2,700
Compass Sussex	-	200
Elementary Literacy Inc.	500	3,000
Hospice of Sussex Inc.	-	2,000
Kings County Historical Archival Society	1,550	-
Kingswood University	200	200
Kiwanis Nursing Home Inc.	2,500	-
Multicultural Association of Sussex	2,000	-
Norton Elementary School	200	-
Portage Atlantic	-	3,000
Rotary Club of Sussex Charitable Trusts	1,000	5,000
Salvation Army Sussex Community Church	-	5,000
Shannon United Baptist Church	5,000	-
Sophia Recovery Centre	4,750	-
Sussex Corner Elementary School	200	200
Sussex Elementary School	200	200
Sussex Middle School	200	200
Sussex Public Library	2,688	5,328
Sussex Regional High School	3,200	200
Sussex Sharing Club	289	1,436
Symphony New Brunswick	4,500	-
The Chalmers Foundation Inc.	2,000	1,500
The Gaia Project	1,300	-
The Salvation Army Food Bank	289	1,436
Town of Sussex - Skating Club & Tennis	9,000	4,000
YMCA of Greater Saint John	-	1,800
Grants to Organizations	<u>57,694</u>	<u>43,716</u>
SACFI Scholarships	13,000	13,000
Fran Simpson Memorial Scholarships	2,000	2,000
Unsung Hero (Class of 1998) Scholarships	2,000	2,000
Sussex High Alumni Scholarship	500	500
Sussex High School Class of 1970 Scholarship	-	1,000
MacLeod Fund	500	500
Waterford Gems LOBA	500	-
	<u>\$ 76,194</u>	<u>\$ 62,716</u>
Sussex Accessibility Fund		
Belleisle Regional High School	\$ -	\$ 2,000
Big Brother Big Sisters Saint John	2,000	-
	<u>\$ 2,000</u>	<u>\$ 2,000</u>
E.J. Cunningham Scholarship Fund		
	<u>\$ 3,000</u>	<u>\$ 3,000</u>
Friars Family Scholarships		
	<u>\$ 1,500</u>	<u>\$ 2,000</u>
PotashCorp Fund		
Agricultural Museum of New Brunswick Inc.	\$ -	\$ 1,000
Fundy Civic Centre Inc.	5,000	-
Kings County Family Resource Centre Inc.	815	-
Kiwanis Nursing Home Inc.	-	4,000
NB Federation of Music Festivals Inc	2,000	1,500
Saint John Regional Hospital Foundation	-	3,800
Sussex Public Library	-	(776)
Sussex Regional High School	7,500	5,000
The Saint John Theatre Company	-	2,500
Town of Sussex - Communities in Bloom	-	(1,500)
Town of Sussex - Sussex Disc Golf	-	3,500
	<u>\$ 15,315</u>	<u>\$ 19,024</u>

Sussex Area Community Foundation Incorporated

Notes to the Financial Statements
(Unaudited)
Years ended July 31, 2024 and 2023

9. Commitments

The Foundation received a gift from the Estate of Leo Forbes in 2004. The Board of Directors made a commitment to annually award not less than five scholarships of not less than \$2,500 each at the annual Sussex Regional High School commencement ceremonies.

In June 2024, the Foundation awarded Sussex Area Community Foundation Inc. Scholarships of \$2,600 each to five Sussex Regional High School graduates, totaling \$13,000. Payment of these scholarships is conditional on the graduate enrolling in an accredited educational institution.

In 2015 the Sussex High Alumni Fund was established to provide future scholarships to graduates of Sussex Regional High School. One scholarship for \$500 was awarded from this fund in June 2024.

Three scholarships of \$500 each were awarded in June 2024 by the Friars Family Scholarship Fund to graduates of local schools.

In 2022 the Norman MacLeod Scholarship Fund was established to provide future scholarships to graduates of Sussex Regional High School. One scholarship for \$500 was awarded from this fund in June 2024.

In 2024 the Waterford Gems L.O.B.A. #1407 Fund was established to support charitable purposes and activities of the Foundation (SACFI). One scholarship for \$500 was awarded from this fund in June 2024.

10. Schedule of Community Funds

	Community & Smaller Funds	AX Heritage Fund	Sussex Accessibility Fund	Sussex High Alumni Fund	MacLeod Fund	Community Funds Total 2024	Community Funds Total 2023
Revenue							
Donations and bequests	\$ 14,624	\$ -	\$ -	\$ 3,399	\$ -	\$ 18,023	\$ 36,126
Interest and dividends	589	5,358	1,374	959	527	8,807	6,316
Realized gain - sale of investments	-	3,949	-	-	-	3,949	922
	<u>15,213</u>	<u>9,307</u>	<u>1,374</u>	<u>4,358</u>	<u>527</u>	<u>30,779</u>	<u>43,364</u>
Expenses							
Investment management fees (Note 5)	18,035	1,379	-	-	-	19,414	19,555
Fund Administration Fee	388	2,141	599	395	228	3,751	3,468
	<u>18,423</u>	<u>3,520</u>	<u>599</u>	<u>395</u>	<u>228</u>	<u>23,165</u>	<u>23,023</u>
Excess revenue over expenses before other items	(3,210)	5,787	775	3,963	299	7,614	20,341
Grant distributions (Note 7)	4,500	4,681	2,000	500	500	12,181	11,515
Excess (Deficiency) revenue over expenses before unrealized gain (loss) - investments	(7,710)	1,106	(1,225)	3,463	(201)	(4,567)	8,826
Unrealized gain (loss) on investments	-	5,780	-	-	-	5,780	(31,182)
Excess (Deficiency) revenue over expenses	(7,710)	6,886	(1,225)	3,463	(201)	1,213	(22,356)
Net Assets, beginning of year	1,730,871	133,744	39,930	24,153	14,674	1,943,372	1,965,728
Net Assets, End of Year	<u>\$ 1,723,161</u>	<u>\$ 140,630</u>	<u>\$ 38,705</u>	<u>\$ 27,616</u>	<u>\$ 14,473</u>	<u>\$ 1,944,585</u>	<u>\$ 1,943,372</u>

11. Subsequent Events

For the purpose of the accompanying financial statements, subsequent events have been evaluated with management through November 23, 2024 which is the date of these financial statements were available to be issued.