

Financial Statements of

Sussex Area Community Foundation Incorporated

(Unaudited)

Year ended July 31, 2025

Sussex Area Community Foundation Incorporated

Year ended July 31, 2025

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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, 2025, 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, 2025, 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 24, 2025

Donna L. Floyd Hanson


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, 2025 and 2024

	<u>2025</u>	<u>2024</u>
ASSETS		
Current Assets		
Cash	\$ 40,753	\$ 14,351
Accounts receivable (Note 3)	1,254	1,307
Prepaid expenses	<u>2,001</u>	<u>1,871</u>
	44,008	17,529
Investments at Market Value (Note 4)	2,505,097	2,423,024
Security deposit	<u>490</u>	<u>490</u>
	<u>\$ 2,549,595</u>	<u>\$ 2,441,043</u>
LIABILITIES AND NET ASSETS		
Current Liabilities		
Accounts payable and accrued liabilities	\$ 6,088	\$ 5,278
Scholarships and Grants payable (Note 5)	<u>23,000</u>	<u>23,000</u>
	29,088	28,278
Net Assets		
Distributable Income Fund	354,662	256,372
EJ Cunningham Scholarship Fund	146,950	121,071
Community Fund	1,942,842	1,944,586
Friars Fund	54,746	51,536
PotashCorp Fund	<u>21,307</u>	<u>39,200</u>
	2,520,507	2,412,765
	<u>\$ 2,549,595</u>	<u>\$ 2,441,043</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, 2025 and 2024

	Distributable Income Fund	Community Funds Note 10	Cunningham Fund	Friars Fund	PotashCorp Fund	Total 2025	Total 2024
Revenue							
Donations and bequests	\$ 12,403	\$ 12,273	\$ 15,100	\$ -	\$ -	\$ 39,776	\$ 54,840
Fundraising	5,691	-	-	-	-	5,691	14,803
Interest and dividends	66,157	8,236	5,324	2,091	937	82,745	82,234
Realized gain (loss) - sale of investments	(38,693)	(2,946)	(2,508)	(1,075)	-	(45,222)	60,355
	<u>45,558</u>	<u>17,563</u>	<u>17,916</u>	<u>1,016</u>	<u>937</u>	<u>82,990</u>	<u>212,232</u>
Expenses							
Investment management fees (Note 6)	-	20,981	1,452	582	262	23,277	21,618
Bank Fees	-	-	-	-	-	-	15
Rent	6,321	-	-	-	-	6,321	6,761
Telephone	1,176	-	-	-	-	1,176	1,175
Website	220	-	-	-	-	220	220
Office supplies and postage	1,630	-	-	-	-	1,630	1,459
Accounting review and legal	2,689	-	-	-	-	2,689	2,925
Insurance	1,254	-	-	-	-	1,254	1,043
Membership dues	984	-	-	-	-	984	1,003
Conference, travel, and meeting	6,244	-	-	-	-	6,244	-
Fundraising	417	-	-	-	-	417	4,866
Wages and employee benefits	25,731	-	-	-	-	25,731	25,279
Fund Administration Fee	(11,922)	4,142	2,084	829	4,867	-	-
	<u>34,744</u>	<u>25,123</u>	<u>3,536</u>	<u>1,411</u>	<u>5,129</u>	<u>69,943</u>	<u>66,364</u>
Excess (Deficiency) revenue over expenses before other items	10,814	(7,560)	14,380	(395)	(4,192)	13,047	145,868
Grant distributions (Note 8)	<u>66,842</u>	<u>10,853</u>	<u>3,000</u>	<u>2,500</u>	<u>14,500</u>	<u>97,695</u>	<u>98,009</u>
Excess (Deficiency) revenue over expenses before unrealized loss - investments	(56,028)	(18,413)	11,380	(2,895)	(18,692)	(84,648)	47,859
Unrealized gain (loss) on investments	<u>154,318</u>	<u>16,670</u>	<u>14,499</u>	<u>6,105</u>	<u>799</u>	<u>192,391</u>	<u>89,288</u>
Excess (Deficiency) revenue over expenses	98,290	(1,743)	25,879	3,210	(17,893)	107,743	137,147
Net Assets, beginning of year	<u>256,372</u>	<u>1,944,585</u>	<u>121,071</u>	<u>51,536</u>	<u>\$ 39,200</u>	<u>2,412,764</u>	<u>2,275,617</u>
Net Assets, End of Year	<u>\$ 354,662</u>	<u>\$ 1,942,842</u>	<u>\$ 146,950</u>	<u>\$ 54,746</u>	<u>\$ 21,307</u>	<u>\$ 2,520,507</u>	<u>\$ 2,412,764</u>

Note 10

See accompanying notes to financial statements

Sussex Area Community Foundation Incorporated

Statement of Cash Flows

(Unaudited)

Years ended July 31, 2025 and 2024

	<u>2025</u>	<u>2024</u>
Operating Activities		
Revenue (deficiency) over Expenses	\$ <u>107,743</u>	\$ <u>137,147</u>
	107,743	137,147
Changes in Non-Cash Working Capital Items		
Accounts Receivable	53	72
Prepaid Expense	(130)	(63)
Accounts Payable	<u>809</u>	<u>1,159</u>
	<u>108,475</u>	<u>138,316</u>
Investing Activities		
Change in Investments	<u>(82,073)</u>	<u>(159,820)</u>
Increases (Decrease) in Cash	26,402	(21,505)
Cash, Beginning Balance	<u>14,351</u>	<u>35,856</u>
Cash, Ending Balance	\$ <u><u>40,753</u></u>	\$ <u><u>14,351</u></u>

See accompanying notes to financial statements

Sussex Area Community Foundation Incorporated

Notes to the Financial Statements

(Unaudited)

Years ended July 31, 2025 and 2024

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, 2025 and 2024

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>2025</u>	<u>2024</u>
HST Receivable	\$ 1,254	\$ 1,217
Miscellaneous Receivable	<u>-</u>	<u>90</u>
	<u>\$ 1,254</u>	<u>\$ 1,307</u>

4. Investments at Market Value

	<u>2025</u>	<u>%</u>	<u>2024</u>	<u>%</u>
Short Term	\$ 96,561	3.9	\$ 81,191	3.3
Fixed Income	1,009,562	40.3	1,133,304	46.8
Equities	<u>1,398,974</u>	<u>55.8</u>	<u>1,208,529</u>	<u>49.9</u>
	<u>\$ 2,505,097</u>	<u>100</u>	<u>\$ 2,423,024</u>	<u>100</u>

5. Scholarships and Grants Payable

	<u>2025</u>	<u>2024</u>
SACFI Scholarships	\$ 13,000	\$ 13,000
Earl J. Cunningham Scholarships	3,000	3,000
Friars Family Scholarships	2,500	1,500
Sussex High Alumni Fund	500	500
Simpson Scholarships	1,000	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>500</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 \$260,909. The stated amount is held for the ongoing activities of the following: Sussex High Alumni Spirit, Simpson Scholarship, Sussex Accessibility, AX Heritage Fund, Unsung Hero (Class of 1998), MacLeod Fund, Sussex Women's Support, Waterford Gems L.O.B.A. #1407, and Sussex Vale Quilters' Guild Scholarship funds.

Sussex Area Community Foundation Incorporated

Notes to the Financial Statements

(Unaudited)

Years ended July 31, 2025 and 2024

8. Grant Distributions

	<u>2025</u>	<u>2024</u>
Distributable Income Fund:		
Apohaqui Elementary School	\$ 5,200	\$ 972
Apohaqui Lower Millstream Recreation Coun	1,100	-
Arts and Culture Centre of Sussex	6,500	4,275
Belleisle Elementary School	200	-
Belleisle Regional High School	2,500	-
Belleisle Watershed Coalition Inc.	3,000	1,500
Big Brother Big Sisters Saint John	-	3,000
Cambridge Narrows Community School	200	1,700
Compass Sussex	200	-
Compassionate Grief Centre of Southern NB	5,000	-
Elementary Literacy Inc.	-	500
Hospice of Sussex Inc.	1,000	-
Kings County Family Resource Centre Inc.	1,220	-
Kings County Historical Archival Society	-	1,550
Kingswood University	200	200
Kings Regional Service Commission	738	-
Kiwanis Nursing Home Inc.	-	2,500
Multicultural Association of Sussex	-	2,000
Norton Elementary School	3,200	200
Rotary Club of Sussex Charitable Trusts	-	1,000
Shannon United Baptist Church	-	5,000
Sussex Christian School	200	-
Sophia Recovery Centre	-	4,750
Sussex Area Community Foundation- Gift cards Kindness Week	300	-
Sussex Corner Elementary School	-	200
Sussex Elementary School	200	200
Sussex Health Centre Services Inc.	1,000	-
Sussex Middle School	7,700	200
Sussex Public Library	-	2,688
Sussex Regional High School	1,800	3,200
Sussex Sharing Club	1,332	289
Symphony New Brunswick	-	4,500
The Chalmers Foundation Inc.	-	2,000
The Gaia Project	-	1,300
The Saint John Theatre Company	2,500	-
The Salvation Army Food Bank	1,332	289
Town of Sussex - Disc Golf, Pickelball, Tennis	7,220	9,000
Grants to Organizations	<u>53,842</u>	<u>53,013</u>
SACFI Scholarships	<u>13,000</u>	<u>13,000</u>
	<u>\$ 66,842</u>	<u>\$ 66,013</u>
Community Fund		
Arts and Culture Centre of Sussex	6,353	4,681
Fran Simpson Memorial Scholarships	1,000	2,000
Unsung Hero (Class of 1998) Scholarships	2,000	2,000
Sussex High Alumni Scholarship	500	500
MacLeod Fund Scholarships	500	500
Waterford Gems LOBA Scholarships	500	500
Big Brother Big Sisters Saint John	-	2,000
	<u>\$ 10,853</u>	<u>\$ 12,181</u>
E.J. Cunningham Scholarship Fund	<u>\$ 3,000</u>	<u>\$ 3,000</u>
Friars Family Scholarships	<u>\$ 2,500</u>	<u>\$ 1,500</u>
PotashCorp Fund		
Fundy Civic Centre Inc.	\$ -	\$ 5,000
Greater Fundy Ground Search and Rescue	7,500	-
Kings County Family Resource Centre Inc.	-	815
NB Federation of Music Festivals Inc	2,000	2,000
Sussex Regional High School	5,000	7,500
	<u>\$ 14,500</u>	<u>\$ 15,315</u>

Sussex Area Community Foundation Incorporated

Notes to the Financial Statements
(Unaudited)
Years ended July 31, 2025 and 2024

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 2025, 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 2025.

Five scholarships of \$500 each were awarded in June 2025 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 2025.

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 2025.

In 2025, the Sussex Vale Quilters' Guild Scholarship was established to provide a \$500 scholarship, starting in 2026, to a future graduate of a local school.

10. Schedule of Community Funds

	Community & Smaller Funds	AX Heritage Fund	Sussex Accessibility Fund	Sussex High Alumni Fund	MacLeod Fund	Community Funds Total 2025	Community Funds Total 2024
Revenue							
Donations and bequests	\$ 10,666	\$ -	\$ 68	\$ 1,539	\$ -	\$ 12,273	\$ 18,023
Interest and dividends	270	5,703	1,057	803	403	8,236	8,807
Realized gain (loss)- sale of investments	-	(2,946)	-	-	-	(2,946)	3,949
	<u>10,936</u>	<u>2,757</u>	<u>1,125</u>	<u>2,342</u>	<u>403</u>	<u>17,563</u>	<u>30,779</u>
Expenses							
Investment management fees (Note 5)	19,393	1,588	-	-	-	20,981	19,414
Fund Administration Fee	530	2,377	580	432	223	4,142	3,751
	<u>19,923</u>	<u>3,965</u>	<u>580</u>	<u>432</u>	<u>223</u>	<u>25,123</u>	<u>23,165</u>
Excess revenue over expenses before other items	(8,987)	(1,208)	545	1,910	180	(7,560)	7,614
Grant distributions (Note 7)	<u>3,500</u>	<u>5,353</u>	<u>1,000</u>	<u>500</u>	<u>500</u>	<u>10,853</u>	<u>12,181</u>
Excess (Deficiency) revenue over expenses before unrealized gain (loss) - investments	(12,487)	(6,561)	(455)	1,410	(320)	(18,413)	(4,567)
Unrealized gain (loss) on investments	<u>-</u>	<u>16,670</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>16,670</u>	<u>5,780</u>
Excess (Deficiency) revenue over expenses	(12,487)	10,109	(455)	1,410	(320)	(1,743)	1,213
		OK	OK	OK			
Net Assets, beginning 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>
Net Assets, End of Year	<u>\$ 1,710,674</u>	<u>\$ 150,739</u>	<u>\$ 38,250</u>	<u>\$ 29,026</u>	<u>\$ 14,153</u>	<u>\$ 1,942,842</u>	<u>\$ 1,944,585</u>

11. Subsequent Events

For the purpose of the accompanying financial statements, subsequent events have been evaluated with management through November 24, 2025 which is the date of these financial statements were available to be issued.